KA / BG-GPO / 2515 / WPP-47 / 2009-2011

ಕರ್ನಾಟಕ ರಾಜ್ಯಪತ್ರ

ಅಧಿಕೃತವಾಗಿ ಪ್ರಕಟಿಸಲಾದುದು

ಸಂಪುಟ ೧೪೫	ಬೆಂಗಳೂರು, ಗುರುವಾರ, ಸೆಪ್ಟೆಂಬರ್ ೨೩, ೨೦೧೦ (ಆಶ್ವಯುಜ ೧, ಶಕ ವರ್ಷ ೧೯೩೨)	ಸಂಚಿಕೆ ೩೮

ಭಾಗ – ೪

ಕೇಂದ್ರದ ವಿಧೇಯಕಗಳು ಮತ್ತು ಅವುಗಳ ಮೇಲೆ ಪರಿಶೀಲನಾ ಸಮಿತಿಯ ವರದಿಗಳು, ಕೇಂದ್ರದ ಅಧಿನಿಯಮಗಳು ಮತ್ತು ಅಧ್ಯಾದೇಶಗಳು, ಕೇಂದ್ರ ಸರ್ಕಾರದವರು ಹೊರಡಿಸಿದ ಸಾಮಾನ್ಯ ಶಾಸನಬದ್ಧ ನಿಯಮಗಳು ಮತ್ತು ಶಾಸನಬದ್ಧ ಆದೇಶಗಳು ಮತ್ತು ರಾಷ್ಟ್ರಪತಿಯವರಿಂದ ರಚಿತವಾಗಿ ರಾಜ್ಯ ಸರ್ಕಾರದವರಿಂದ ಪುನಃ ಪ್ರಕಟವಾದ ಆದೇಶಗಳು.

ಸಂಸದೀಯ ವ್ಯವಹಾರಗಳು ಮತ್ತು ಶಾಸನ ರಚನೆ ಸಚಿವಾಲಯ

ಅಧಿಸೂಚನೆ

ಸಂಖ್ಯೆ : ಸಂವ್ಯಶಾಇ 28 ಕೇಶಾಪ್ರ 2010, ಬೆಂಗಳೂರು, ದಿನಾಂಕ : 24ನೇ ಜುಲೈ 2010.

2010ನೇ ಸಾಲಿನ ಮೇ 10ನೇ ದಿನಾಂಕದ ಭಾರತ ಸರ್ಕಾರದ ಗೆಜೆಟ್‌ನ ವಿಶೇಷ ಸಂಚಿಕೆಯ ಭಾಗ–II ಸೆಕ್ಷೆನ್ 1ರಲ್ಲಿ ಪ್ರಕಟವಾದ ಈ ಕೆಳಕಂಡ The Finance Act, 2010 (No. 14 of 2010) ಅನ್ನು ಸಾರ್ವಜನಿಕರ ಮಾಹಿತಿಗಾಗಿ ಕರ್ನಾಟಕ ರಾಜ್ಯಪತ್ರದಲ್ಲಿ ಮರು ಪ್ರಕಟಿಸಲಾಗಿದೆ.

MINISTRY OF LAW AND JUSTICE

(Legislative Department)

Dated: May 10, 2010

The following Act of Parliament received the assent of the President on the 8th May, 2010 and is hereby published for general information

THE FINANCE ACT, 2010

No. 14 of 2010

Dated: May 8, 2010

An Act to give effect to the financial proposals of the Central Government for the financial year 2010-2011.

Be it enacted by Parliament in the Sixty-first Year of the Republic of India as follows :

CHAPTER I

PRELIMINARY

Short title and commencement

1. (1) This Act may be called the Finance Act, 2010.

(2) Save as otherwise provided in this Act, sections 2 to 56 shall be deemed to have come into force on the 1st day of April, 2010.

CHAPTER II

RATES OF INCOME-TAX

Income Tax

2. (1) Subject to the provisions of sub-sections (2) and (3), for the assessment year commencing on the 1st day of April, 2010 income tax shall be charged at the rates specified in Part I of the First Schedule and such tax shall be increased by a surcharge, for purposes of the Union, calculated in each case in the manner provided therein.

(2) In the cases to which Paragraph A of Part I of the First Schedule applies, where the assessee has, in the previous year, any net agricultural income exceeding five thousand rupees, in addition to total income, and the total income exceeds one lakh sixty thousand rupees, then,

(a) the net agricultural income shall be taken into account , in the manner provided in clause (b) [that is to say, as if the net agricultural income were comprised in the total income after the first one lakh sixty thousand rupees of the total income but without being liable to tax], only for the purpose of charging income-tax in respect of the total income; and

(b) the income-tax chargeable shall be calculated as follows:

(i) the total income and the net agricultural income shall be aggregated and the amount of income-tax shall be determined in respect of the aggregate income at the rates specified in the said Paragraph A, as if such aggregate income were the total income;

(ii) the net agricultural income shall be increased by a sum of one lakh sixty thousand rupees, and the amount of income-tax shall be determined in respect of the net agricultural income as so increased at the rates specified in the said Paragraph A, as if the net agricultural income as so increased were the total income;

(iii) the amount of income-tax determined in accordance with sub-clause (i) shall be reduced by the amount of income-tax determined in accordance with sub-clause (ii) and the sum so arrived at shall be the income-tax in respect of the total income:

Provided that in the case of every woman, resident in India and below the age of sixty-five years at any time during the previous year, referred to in item (II) of Paragraph A of Part I of the First Schedule, the provisions of this sub-section shall have effect as if for the words "one lakh sixty thousand rupees", the words "one lakh ninety thousand rupees" had been substituted:

Provided further that in the case of every individual, being a resident in India, who is of the age of sixty-five years or more at any time during the previous year, referred to in item (III) of Paragraph A of Part I of the First Schedule, the provisions of this sub-section shall have effect as if for the words "one lakh sixty thousand rupees", the words "two lakh forty thousand rupees" had been substituted.

(3) In cases to which the provisions of Chapter XII or Chapter XII-A or Chapter XII-H or section 115JB or sub-section (1A) of section 161 or section 164 or section 164A or section 167B of the Income-tax Act, 1961 (43 of 1961) (hereinafter referred to as the Income-tax Act) apply, the tax chargeable shall be determined as provided in that Chapter or that section, and with reference to the rates imposed by sub-section (I) or the rates as specified in that Chapter or section, as the case may be:

Provided that the amount of income-tax computed in accordance with the provisions of section 111A or section 112 shall be increased by a surcharge, for purposes of the Union, as provided in Paragraph A,B, C,

D or E, as the case may be, of Part I of the First Schedule:

Provided further that in respect of any income chargeable to tax under sections 115A, 115AB, 115AC, 115ACA, 115AD, 115B, 115BB, 115BBA, 115BBC, 115E and 115JB of the Income-tax Act, the amount of income-tax computed under this sub-section shall be increased by a surcharge, for purposes of the Union, calculated,

(a) in the case of a domestic company, at the rate of ten per cent, of such income-tax where the total income exceeds one crore rupees;

(b) in the case of every company, other than a domestic company, at the rate of two and one-half per cent, of such income-tax where the total income exceeds one crore rupees:

Provided also that in the case of every company having total income chargeable to tax under section 115JB of the Income-tax Act, and such income exceeds one crore rupees, the total amount payable as income-tax and surcharge on such income-tax shall not exceed the total amount payable as income-tax on a total income of one crore rupees by more than the amount of income that exceeds one crore rupees.

(4) In cases in which tax has to be charged and paid under section 115-0 or sub-section (2) of section 115R of the Income-tax Act, the tax shall be charged and paid at the rate as specified in those sections and shall be increased by a surcharge, for purposes of the Union, calculated at the rate of seven and one-half per cent, of such tax.

(5) In cases in which tax has to be deducted under sections 193, 194, 194A, 194B, 194BB, 194D and 195 of the Income-tax Act, at the rates in force, the deductions shall be made at the rates specified in Part II of the First Schedule and shall be increased by a surcharge, for purposes of the Union, calculated in cases wherever prescribed, in the manner provided therein.

(6) In cases in which tax has to be deducted under sections 194C, 194E, 194EE, 194F, 194G, 194H, 194-I,194J, 194LA, 196B, 196C and 196D of the Income-tax Act, the deductions shall be made at the rates specified in those sections and shall be increased by a surcharge, for purposes of the Union, in the case of every company, other than a domestic company, calculated at the rate of two and one-half per cent, of such tax, where the income or the aggregate of such incomes paid or likely to be paid and subject to the deduction exceeds one crore rupees

(7) In cases in which tax has to be collected under the proviso to section 194B of the Income-tax Act, the collection shall be made at the rates specified in Part II of the First Schedule, and shall be increased by a surcharge, for purposes of the Union, calculated, in cases wherever prescribed, in the manner provided therein.

(8) In cases in which tax has to be collected under section 206C of the Income-tax Act, the collection shall be made at the rates specified in tha section and shall be increased by a surcharge, for purposes of the Union, in the case of every company, other than a domestic company, calculated at the rate of two and one-half per cent, of such tax, where the amount or the aggregate of such amounts collected and subject to the collection exceeds one crore rupees.

(9) Subject to the provisions of sub-section (10), in cases in which income-tax has to be charged under sub-section (4) of section 172 or sub-section (2) of section 174 or section 174A or section 175 or sub-section (2) of section 176 of the Income-tax Act or deducted from, or paid on, income chargeable under the head "Salaries" under section 192 of the said Act or in which the "advance tax" payable under Chapter XVII-C of the said Act has to be computed at the rate or rates in force, such income-tax or, as the case may be, "advance tax" shall be so charged, deducted or computed at the rate or rates specified in Part III of the First Schedule and such tax shall be increased by a surcharge, for purposes of the Union, calculated in such

cases and in such manner as provided therein:

Provided that in cases to which the provisions of Chapter XII or Chapter XII-A or section 115JB or sub-section (1A) of section 161 or section 164 or section 164A or section 167B of the Income-tax Act apply, "advance tax" shall be computed with reference to the rates imposed by this sub-section or the rates as specified in that Chapter or section, as the case may be:

Provided further that the amount of "advance tax" computed in accordance with the provisions of section 111 A or section 112 of the Income-tax Act shall be increased by a surcharge, for purposes of the Union, as provided in Paragraph E of Part III of the First Schedule pertaining to the case of a company:

Provided also that in respect of any income chargeable to tax under sections 115A, 115AB,115AC,115ACA, 115AD, 115B, 115BB, 115BBA, 115BBC, 115E and 115JB of the Income-tax Act, "advance tax" computed under the first proviso shall be increased by a surcharge, for purposes of the Union, calculated,

(a) in the case of every domestic company, at the rate of seven and one-half per cent, of such "advance tax" where the total income exceeds one crore rupees;

(b) in the case of every company, other than a domestic company, at the rate of two and one-half per cent, of such "advance tax" where the total income exceeds one crore rupees:

Provided also that in the case of every company having total income chargeable to tax under section 115 JB of the Income-tax Act, and such income exceeds one crore rupees, the total amount payable as "advance tax" on such income and surcharge thereon, shall not exceed the total amount payable as "advance tax" on a total income of one crore rupees by more than the amount of income that exceeds one crore rupees,

(10) In cases to which Paragraph A of Part III of the first Schedule applies, where the assessee has, in the previous year or, if by virtue of any provision of the Income-tax Act, income-tax is to be charged in respect of the income of a period other than the previous year, in such other period, any net agricultural income exceeding five thousand rupees, in addition to total income and the total income exceeds one lakh sixty thousand rupees, then, in charging income-tax under sub-section (2) of section 174 or section 174A or section 175 or sub-section (2) of section 176 of the said Act or in computing the "advance tax" payable under Chapter XVII-C of the said Act, at the rate or rates in force,

(a) the net agricultural income shall be taken into account , in the manner provided in clause (b) [that is to say, as if the net agricultural income were comprised in the total income after the first one lakh sixty thousand rupees of the total income but without being liable to tax], only for the purpose of charging or computing such income-tax or, as the case may be, "advance tax" in respect of the total income; and

(b) such income-tax or, as the case may be, "advance tax" shall be so charged or computed as follows:

(i) the total income and the net agricultural income shall be aggregated and the amount of income-tax or "advance tax" shall be determined in respect of the aggregate income at the rates specified in the said Paragraph A, as if such aggregate income were the tota income ;

(ii) the net agricultural income shall be increased by a sum of one lakh sixty thousand rupees, and the amount of income-tax or "advance tax" shall be determined in respect of the net agricultural income as so increased at the rates specified in the said Paragraph A, as if the net agricultural income were the total income;

(iii) the amount of income-tax or "advance tax" determined in accordance with sub-clause (i) shall be reduced by the amount of income-tax or, as the case may be, "advance tax" determined in accordance with sub-clause (ii) and the sum so arrived at shall be the income-tax or, as the case may be, "advance tax" in respect o the total income:

Provided that in the case of every woman, resident in India and below the age of sixty-five years at any time during the previous year, referred to in item (II) of Paragraph A of Part III of the First Schedule, the provisions of this sub-section shall have effect as if for the words "one lakh sixty thousand rupees", the words "one lakh ninety thousand rupees" had been substituted:

Provided further that in the case of every individual, being a resident in India, who is of the age of sixty-five years or more at any time during the previous year referred to in item (III) of Paragraph A of Part III of the First Schedule, the provisions of this sub-section shall have effect as if for the words "one lakh sixty thousand rupees", words the "two lakh forty thousand rupees" had been substituted.

(11) The amount of income-tax as specified in sub-sections (1) to (10) and as increased by the applicable surcharge, for purposes of the Union, calculated in the manner provided therein, shall be further increased by an additional surcharge, for purposes of the Union, to be called the "Education Cess on income-tax", calculated at the rate of two per cent, of such income-tax and surcharge so as to fulfil the commitment of the Government to provide and finance universalised quality basic education:

Provided that nothing contained in this sub-section shall apply to cases in which tax is to be deducted or collected under the sections of the Income-tax Act mentioned in sub-sections (5), (6), (7) and (8), if the income subjected to deduction of tax at source or collection of tax at source is paid to a domestic company and any other person who is resident in India.

(12) The amount of income-tax as specified in sub-sections (1) to (10) and as increased by the applicable surcharge, for purposes of the Union, calculated in the manner provided therein, shall also be increased by an additional surcharge, for purposes of the Union, to be called the "Secondary and Higher Education Cess on income-tax", calculated at the rate of one per cent, of such income-tax and surcharge so as to fulfil the commitment of the Government to provide and finance secondary and higher education:

Provided that nothing contained in this sub-section shall apply to cases in which tax is to be deducted or collected under the sections of the Income-tax Act mentioned in sub-sections (5), (6), (7) and (8), if the income subjected to deduction of tax at source or collection of tax at source is paid to a domestic company and any other person who is resident in India.

(13) For the purposes of this section and the First Schedule,

(a) "domestic company" means an Indian company or any other company which, in respect of its income liable to income-tax under the Income-tax Act, for the assessment year commencing on the 1st day of April, 2010, has made the prescribed arrangements for the declaration and payment within India of the dividends (including dividends on preference shares) payable out of such income;

(b) "insurance commission" means any remuneration or reward, whether by way of commission or otherwise, for soliciting or procuring insurance business (including business relating to the continuance, renewal or reviv l of policies of insurance);

(c) "net agricultural income", in relation to a person, means the total amount of agricultural income, from whatever source derived, of that person computed in accordance with the rules contained in Part IV of the First Schedule;

(d) all other words and expressions used in this section and the First Schedule but not

defined in this sub-section and defined in the Income-tax Act shall have the meanings, respectively, assigned to them in that Act.

CHAPTER III

DIRECT TAXES

Income-tax

Amendment of section 2.

3. In section 2 of the Income-tax Act,

(a) in clause (15), after the proviso, the following proviso shall be inserted and shall be deemed to have been inserted with effect from the 1st day of April, 2009, namely:

"Provided further that the first proviso shall not apply if the aggregate value of the receipts from the activities referred to THerein is ten lakh rupees or less in the previous year;";

(b) in clause (24), in sub-clause (xv), after the words, brackets and figures "value of property referred to in clause (vii)", the words, brackets, figures and letter "or clause (viia)" shall be inserted with effect from the 1st day of June, 2010.

Amendment of Section 9.

4. In section 9 of the Income-tax Act, for the Explanation occurring after sub-section (2), the following Explanation shall be substituted and shall be deemed to have been substituted with effect from the 1st day of June, 1976, namely:

"Explanation. -For the removal of doubts, it is hereby declared that for the purposes of this section, income of a non-resident shall be deemed to accrue or arise in India under clause (v) or clause (vi) or clause (vii) of sub-section (1) and shall be included in the total income of the non-resident, whether or not,

(i) the non-resident has a residence or place of business or business connection in India; or

(ii) the non-resident has rendered services in India.".

Amendment of section 10.

5. In section 10 of the Income-tax Act, in clause (21), with effect from the 1st day of April, 2011,

(a) for the words "scientific research association", wherever they occur, the words "research association" shall be substituted;

(b) in the opening portion, after the word, brackets and figures "clause (ii)", the words, brackets and figures "or clause (iii)" shall be inserted;

(c) In the first proviso, in clause (a)

(A) In sub-clause (i)

(I) In item (2), for the words “scientific research”, the words “scientific research or research in social science or statistical research shall be substituted;

(II) in item (3), after the word, brackets and figures "clause (ii)", the words, brackets and figures "or clause (iii)" shall be inserted;

(B) in sub-clause (ii), for the words "scientific research", the words "scientific research or research in social science or stastical research" shall be substituted.

Amendment of section 10AA.

6. In section 10AA of the Income-tax Act, in sub-section (7), the following proviso shall be inserted, namely:

"Provided that the provisions of this sub-section [as amended by section 6 of the Finance (No.2) Act, 2009] (33 of 2009) shall have effect for the assessment year beginning on the 1st day of April, 2006 and subsequent assessment years.".

Amendment of section 12AA.

7. In section 12AA of the Income-tax Act, in sub-section (3), after the word, brackets and figure "sub-section (1)", the words, figures, letter and brackets or has obtained registration at any time under section 12A [as it stood before its amendme by the Finance (No.2) Act, 1996]" (33 of 1996) shall be inserted with effect from the 1st day of June 2010.

Amendment of section 32.

8. In section 32 of the Income-tax Act, in sub-section (1), in the fifth proviso, for the words, brackets and figures "clause (xiii) and clause (xiv)", the words, brackets, figures and letter "clause (xiii), clause (xiiib) and clause (xiv)" shall be substituted with effect from the 1st day of April, 2011.

Amendment of section 35.

9. In section 35 of the Income-tax Act, with effect from the 1st day of April, 2011,

(i) in sub-section (i),

(a) for the words "scientific research association", wherever they occur, the words "research association" shall be substituted;

(b) in clause (ii), for the words "one and one-fourth", the words "one and three-fourth" shall be substituted;
(c) in clause (iii),

(A) for the words "any sum paid to a university", words the "any sum paid to a research association which has as its object the undertaking of research in social science or statistical research or to a university" shall be substituted;

(B) in the proviso, for the words "such university", a both the places where they occur, the words "such association, university" shall be substituted;
(ii) in sub-section (2AA), in clause (a), for the words "one and one-fourth", the words "one and three-fourth" shall be substituted;

(iii) in sub-section (2AB), in clause (1), for the words "one and one-half, the word "two" shall be substituted.

Amendment of section 35AD.

10. In section 35AD of the Income-tax Act,
(a) in sub-section (2), in clause (iii), in sub-clause (c), for the words "one-third of its total pipeline

capacity", the words, brackets and figures "such proportion of its total pipeline capacity as specified by regulations made by the Petroleum and Natural Gas Regulatory Board established under sub-section (1) of section 3 of the Petroleum and Natural Gas Regulatory Board Act, 2006" shall be substituted; (19 of 2006)

(b) for sub-section (3), the following sub-section shall be substituted with effect from the 1st day of April, 2011, namely:

'(3) Where a deduction under this section is claimed, and allowed in respect of the specified business for any assessment year, no deduction shall be allowed under the provisions of Chapter VI-A under the heading "C -Deductions in respect of certain incomes" in relation to such specified business for the same or any other assessment year.';

(c) in sub-section (5), with effect from the 1st day of April, 2011,

(i) in clause (a), the word "and", occurring at the end, shall be omitted;

(ii) after clause (a), the following clauses shall be inserted, namely:

" (aa) on or after the 1st day of April, 2010, where the specified business is in the nature of building and operating a new hotel of two-star or above category as classified by the Central Government:

(ab) on or after the 1st day of April, 2010, where the specified business is in the nature of building and operating a new hospital with at least one hundred beds for patients;

(ac) on or after the 1st day of April, 2010, where the specified business is in the nature of developing and building a housing project under a scheme for slum redevelopment or rehabilitation framed by the Central Government or a State Government, as the case may be, and which is notified by the Board in this behalf in accordance with the guidelines as may be prescribed; and";

(iii) in clause (b), for the word, brackets and letter "clause (a)", the words, brackets and letters "clause (a), clause (aa), clause (ab) and clause (ac)" shall be substituted;

(d) in sub-section (8), in clause (c), after sub-clause (iii), the following sub-clauses shall be inserted with effect from the 1st day of April, 2011, namely:

"(iv) building and operating, anywhere in India, a new hotel of two-star or above category as classified by the Central Government;

(v) building and operating, anywhere in India, a new hospital with at least one hundred beds for patients;

(vi) developing and building a housing project under a scheme for slum redevelopment or rehabilitation framed by the Central Government or a State Government, as the case may be, and notified by the Board in this behalf in accordance with the guidelines as may be prescribed;"

Amendment of Section 35DDA.

11. In section 35DDA of the Income-tax Act, with effect from the 1st day of April, 2011

(a) after sub-section (4), the following sub-section shall be inserted, namely: "(4A) Where there has been reorganisation of business, whereby a private company or unlisted public company is succeeded by a limited liability partnership fulfilling the conditions laid down in the proviso to clause (xiiib) of section 47, the provisions of this section shall, as far as may be, apply to the successor limited liability partnership, as they would have applied to the said company, if reorganisation of business had not taken place.";

(b) in sub-section (5), for the words, brackets and figures "sub-section (3) and in the case of a firm or proprietary concern referred to sub-section(4)", the words, brackets, figures and letter "sub-section (3), in

the case of a firm or proprietary concern referred to in sub-section (4) and in the case of a company referred to in sub-section (4A)" shall be substituted.

Amendment of Section 40.

12. In section 40 of the Income-tax Act, in clause (a), in sub-clause (ia),

(a) for the portion beginning with the words "has not been paid,-" and ending with the words "the last day of the previous year", the words, brackets and figures "has not been paid on or before the due date specified in sub-section (1) of section 139" shall be substituted;

(b) for the proviso, the following proviso shall be substituted, namely:

"Provided that where in respect of any such sum, tax has been deducted in any subsequent year, or has been deducted during the previous year but paid after the due date specified in sub-section (1) of section 139, such sum shall be allowed as a deduction in computing the income of the previous year in which such tax has been paid.".

Amendment of Section 43.

13. In section 43 of the Income-tax Act, with effect from the 1st day of April, 2011,

(a) in clause (1), in Explanation 13, in clause (b), in sub-clause (iii), for the brackets, figures and word "(xiii) and (xiv)", the brackets, figures, letter and word "(xiii), (xiiib) and (xiv)" shall be substituted;

(b) in clause (6), after Explanation 2B, the following Explanation shall be inserted, namely:

"Explanation 2C. -Where in any previous year, any block of assets is transferred by a private company or unlisted public company to a limited liability partnership and the conditions specified in the proviso to clause (xiiib) of section 47 are satisfied, then, notwithstanding anything contained in clause (1), the actual cost of the block of assets in the case of the limited liability partnership shall be the written down value of the block of assets as in the case of the said company on the date of conversion of the company into the limited liability partnership.".

Amendment of Section 44AB.

14. In section 44AB of the Income-tax Act, with effect from the 1st day of April, 2011

(a) in clause (a), for the words "forty lakh rupees", the words "sixty lakh rupees" shall be substituted;

(b) in clause (b), for the words "ten lakh rupees", the words "fifteen lakh rupees" shall be substituted.

Amendment of Section 44AD.

15. In section 44AD of the Income-tax Act [as amended by section 20 of the Finance (No.2) Act, 2009], (33 of 2009) in the Explanation, in clause (b), in sub-clause (ii), for the words "forty lakh rupees", the words "sixty lakh rupees" shall be substituted with effect from the 1st day of April, 2011.

Amendment of Section 44BB.

16. In section 44BB of the Income-tax Act, in the proviso to sub-section (1), after the words, figures and letter "section 44D or", the words, figures and letters "section 44DA or" shall be inserted with effect from the 1st day of April, 2011.

Amendment of Section 44DA.

17. In section 44DA of the Income-tax Act, in sub-section (1), after the proviso, the following proviso shall be inserted with effect from the 1st day April 2011, namely:

"Provided further that the provisions of section 44BB shall not apply in respect of the income referred to in this section.".

Amendment of Section 47.

18. In section 47 of the Income-tax Act, after clause (xiiia), the following shall be inserted with effect from the 1st day of April, 2011, namely:

'(xiiib) any transfer of a capital asset or intangible asset by a private company or unlisted public company (hereafter in this clause referred to as the company) to a limited liability partnership or any transfer of a share or shares held in the company by a shareholder as a result of conversion of the company into a limited liability partnership in accordance with the provisions of section 56 or section 57 of the Limited Liability Partnership Act, 2008: (6 of 2009)

Provided that

(a) all the assets and liabilities of the company immediately before the conversion become the assets and liabilities of the limited liability partnership;

(b) all the shareholders of the company immediately before be the conversion become the partners of the limited liability partnership and their capital contribution and profit sharing ratio in the limited liability partnership are in the same proportion as their shareholding in the company on the date of conversion;

(c) the shareholders of the company do not receive any consideration or benefit, directly or indirectly, in any form or manner, other than by way of share in profit and capital contribution in the limited liability partnership;

(d) the aggregate of the profit sharing ratio of the shareholders of the company in the limited liability partnership shall not be less than fifty per cent, at any time during the period of five years from the date of conversion;

(e) the total sales, turnover or gross receipts in the business of the company in any of the three previous years preceding the previous year in which the conversion takes place does not exceed sixty lakh rupees; and

(f) no amount is paid, either directly or indirectly, to any partner out of balance of accumulated profit standing in the accounts of the company on the date of conversion for a period of three years from the date of conversion.

Explanation. -For the purposes of this clause, the expressions "private company" and "unlisted public

company" shall have the meanings respectively assigned to them in the Limited Liability Partnership Act, 2008;'. (6 of 2009.)

Amendment of Section 47A.

19. In section 47A of the Income-tax Act, after sub-section (3), the following sub-section shall be inserted with effect from the 1st day of April, 2011 namely:

> "(4) Where any of the conditions laid down in the proviso to clause (xiiib) of section 47 are not complied with, the amount of profits or gain s arising from the transfer of such capital asset or intangible assets or share or shares not charged under section 45 by virtue of conditions laid down in the said proviso shall be deemed to be the profits and gains chargeable to tax of the successor limited liability partnership or the shareholder of the predecessor company, as the case may be, for the previous year in which the requirements of the said proviso are not complied with.".

Amendment of Section 49.

20. In section 49 of the Income-tax Act,

(a) in sub-section (*l*), in clause (iii), in sub-clause (e), for the words, brackets, figures and letters "clause (vicb) of section 47", the words, brackets, figures and letters "clause (vicb) or clause (xiiib) of section 47" shall be substituted with effect from the 1st day of April, 2011;
(b) after sub-section (2AA), the following sub-section shall be inserted with effect from the 1st day of April, 2011, namely:

"(2AAA) Where the capital asset, being rights of a partner referred to in section 42 of the Limited Liability Partnership Act, 2008, (6 of 2009) became the property of the assessee on conversion as referred to in clause (xiiib) of section 47, the cost of acquisition of the asset shall be deemed to be the cost of acquisition to him of the share or shares in the company immediately before its conversion.";

(c) in sub-section (4), after the word, brackets and figures "clause (vii)", at both the places where they occur, the words, brackets, figures and letter "or clause (viia)" shall be inserted with effect from the 1st day of June, 2010.

Amendment of Section 56.

21. In section 56 of the Income-tax Act, in sub-section (2),

(a) in clause (vii),
(i) for sub-clause (b), the following sub-clause shall be substituted and shall be deemed to have been substituted with effect from the 1st day of October, 2009, namely:

"(b) any immovable property, without consideration, the stamp duty value of which exceeds fifty thousand rupees, the stamp duty value of such property;";
(ii) in the Explanation, in clause (d),

(A) in the opening portion, for the word "means -", the words "means the following capital asset of the assessee, namely: -"shall be substituted and shall be deemed to have been substituted with effect from the 1st day of October, 2009;

(B) in sub-clause (vii), the word "or" shall be omitted with effect from the 1st day of June,2010;

(C) in sub-clause (viii), the word "or" shall be inserted at the end with effect from the 1st day of June, 2010;
(D) after sub-clause (viii), the following sub-clause shall be inserted with effect from the 1st day of June,

2010, namely:

"(ix) bullion;";

(b) after clause (vii), the following shall be inserte with effect from the 1st day of June, 2010, namely:

'(viia) where a firm or a company not being a company which the public are substantially interested, receives, in any previous year from any person or persons, on or after the 1st day of June, 2010, any property, being shares of a company not being a company in which the public are substantially interested,

(i) without consideration, the aggregate fair market value of which exceeds fifty thousand rupees, the whole of the aggregate fair market value of such property;

(ii) for a consideration which is less than the aggregate fair market value of the property by an amount exceeding fifty thousand rupees, the aggregate fair market value of such property as exceeds such consideration:

Provided that this clause shall not apply to any such property received by way of a transaction not regarded as transfer under clause (via) or clause vic or clause (vicb) or clause (vid) or clause (vii) of section 47.

Explanation. -For the purposes of this clause, "fair market value" f a property, being shares of a company not being a company in which the public are substantionally interested, shall have the meaning assigned to it in the Explanation to clause (vii);'.

Amendment of Section 72A.

22. In section 72 A of the Income-tax Act, with effect from the 1st day of April, 2011,

(a) after sub-section (6), the following shall be inserted, namely:

"(6A) Where there has been reorganisation of business whereby a private company or unlisted public company is succeeded by a limited liability partnership fulfilling the conditions laid down in the proviso to clause (xiiib) of section 47, then, notwithstanding anything contained in any other provision of this Act, the accumulated loss and the unabsorbed depreciation of the predecessor company, shall be deemed to be the loss or allowance for depreciation of the successor limited liability partnership for the purpose of the previous year in which business reorganisation was effected and other provisions of this Act relating to set off and carry forward of loss and allowance for depreciation shall apply accordingly:

Provided that if any of the conditions laid down in the proviso to clause (xiiib) of section 47 are not complied with, the set off of loss or allowance of depreciation made in any previous year in the hands of the successor limited liability partnership, shall be deemed to be the income of the limited liability partnership chargeable to tax in the year in which such conditions are not complied with.";

(b) in sub-section (7), for clauses (a) and (b), the following clauses shall, respectively, be substituted, namely:

'(a) "accumulated loss" means so much of the loss of the predecessor firm or the proprietary concern or the private company or unlisted public company before conversion into limited liability partnership or the amalgamating company or the demerged company, as the case may be, under the head "Profits and gains of business or profession" (not being a loss sustained in a speculation business) which such predecessor firm or the proprietary concern or the company or amalgamating company or demerged company, would have been entitled carry

forward and set off under the provisions of section 72 if the reorganisation of business or conversion or amalgamation or demerger had not taken place;

(b) "unabsorbed depreciation" means so much of the allowance for depreciation of the predecessor firm or the proprietary concern or the private company or unlisted public company before conversion into limited liability partnership or the amalgamating company or the demerged company, as the case may be, which remains to be allowed and which would have been allowed to the predecessor firm or the proprietary concern or the company or amalgamating company or demerged company, as the case may be, under the provisions of this Act. if the reorganisation of business or conversion or amalgamation or demerger had not taken place;'.

Amendment of Section 80A.

23. In section 80A of the Income-tax Act, after sub-section (6) and the Explanation thereto, the following sub-section shall be inserted with effect from the 1st day of April, 2011, namely:

'(7) Where a deduction under any provision of this Chapter under the heading "C. - Deductions in respect of certain incomes" is claimed and allowed in respect of profits of any of the specified business referred to in clause (c) of sub-section (8) of section 35AD for any assessment year, no deduction shall be allowed under the provisions of section 35AD in relation to such specified business for the same or any other assessment year.'.

Insertion of new section 80CCF.

24. After section 80CCE of the Income-tax Act, the following section shall be inserted with effect from the 1st day of April, 2011, namely:

Deduction in respect of subscription to long-term infrastructure bonds.

"80CCF. In computing the total income of an assessee, being an individual or a Hindu undivided family, there shall be deducted, the whole of the amount, to the extent such amount does not exceed twenty thousand rupees, paid or deposited, during the previous year relevant to the assessment year beginning on the 1st day of April, 2011, as subscription to long-term infrastructure bonds as may, for the purposes of this section, be notified by the Central Government.".

Amendment of Section 80D.

25. In section 80D of the Income-tax Act, in sub-section (2), in clause (a), after the words "his family", the words "or any contribution made to the Central Government Health Scheme" shall be inserted with effect from the 1st day of April, 2011.

Amendment of Section 80GGA.

26. In section 80GGA of the Income-tax Act, in sub-section (2), with effect from the 1st day of April, 2011,

(a) in clause (a), for the words "scientific research association", the words "research association" shall be substituted;

(b) in clause (aa),

(A) for the words "to a University", the words "to a research association which has as its object the undertaking of research in social science or statistical research or to a University" shall be substituted;

(B) in the proviso, for the words "such University", the words "such association, University" shall be substituted;

(C) in the Explanation, for the words "scientific research association", the words "research association" shall be substituted.

Amendment of Section 80-IB.

27. In section 80-IB of the Income-tax Act, in sub-section (10),

(i) in clause (a),

(a) in sub-clause (ii), after the words, figures and letters "the 1st day of April, 2004", the words, figures and letters "but not later than the 31st day of March, 2005" shall be inserted;

(b) after sub-clause (ii), the following sub-clause shall be inserted, namely:

"(iii) in a case where a housing project has been approved by the local authority on or after the 1st day of April, 2005, within five years from the end of the financial year in which the housing project is approved by the local authority,";

(ii) in clause (d),

(a) for the words "five per cent.", the words "three per cent." shall be substituted;

(b) for the words "two thousand square feet, whichever is less", the words "five thousand square feet, whichever is higher" shall be substituted.

Amendment of Section 80-ID.

28. In section 80-ID of the Income-tax Act, in sub-section (2), with effect from the 1st day of April, 2011.

(a) in clause (i), for the words, figures and letters "the 31st day of March, 2010", the words, figures and letters "the 31st day of July, 2010" shall be substituted;

(b) in clause (ii), for the words, figures and letters "the 31st day of March, 2010", the words, figures and letters "the 31st day of July, 2010" shall be substituted.

Amendment of Section 115JAA.

29. In section 115JAA of the Income-tax Act, after sub-section (6), the following shall be inserted with effect from the 1st day of April, 2011, namely:

> '(7) In case of conversion of a private company or unlisted public company into a limited liability partnership under the Limited Liability Partnership Act, 2008, (6 of 2009) the provisions of this section shall not apply to the successor limited liability partnership.
>
> Explanation.-For the purposes of this section, the expressions "private company" and "unlisted public company" shall have the meanings respectively assigned to them in the Limited Liability Partnership Act, 2008.', (6 of 2009)

Amendment of Section 115JB.

30. In section 115JB of the Income-tax Act, in sub-section (*I*), with effect from the 1st day of April, 2011,

(a) for the words, figures and letters "the 1st day of April, 2010", the words, figures and letters "the 1st day of April, 2011" shall be substituted;

(b) for the words "fifteen per cent." at both the places where they occur, the words "eighteen per cent." shall be substituted.

Amendment of Section 115WE.

31. In section 115 WE of the Income-tax Act, in sub-section (IB), for the words, figures and letters "after the 31st day of March, 2010", the words, figures and letters "after the 31st day of March, 2011" shall be substituted.

Amendment of Section 139.

32. In section 139 of the Income-tax Act, in sub-section (4C), for the words "scientific research association" at both the places where they occur, words the "research association" shall be substituted with effect from the 1st day of April, 2011.

Amendment of Section 142A.

33. In section 142A of the Income-tax Act, in sub-section (1), for the words, figures and letter "section 69B is required to be made", the words, figures, letter and brackets "section 69B or fair market value of any property referred to in sub-section (2) of section 56 is required to be made" shall be substituted with effect from the 1st day of July, 2010.

Amendment of Section 143.

34. In section 143 of the Income-tax Act,

(a) in sub-section (IB), for the words, figures and letters "after the 31st day of March, 2010", the words, figures and letters "after the 31st day of March, 2011" shall be substituted;

(b) in sub-section (3), in the first proviso, for the words "scienific research association", wherever they occur, the words "research association" shall be substituted with effect from the 1st day of April, 2011.

Amendment of Section 194B.

35. In section 194B of the Income-tax Act, for the words "five thousand rupees", the words"ten thousand rupees" shall be substituted with effect from the 1st day of July, 2010.

Amendment of Section 194BB.

36. In section 194BB of the Income-tax Act, for the words "two thousand five hundred rupees", the words "five thousand rupees" shall be substituted with effect from the 1st day of July, 2010.

Amendment of Section 194C.

37. In section 194C of the Income-tax Act, in sub-section (5), with effect from the 1st day of July, 2010,

(a) for the words "twenty thousand rupees", the words thirty thousand rupees" shall be substituted;

(b) in the proviso, for the words "fifty thousand rupees , the words "seventy-five thousand rupees" shall be substituted.

Amendment of Section 194D.

38. In section 194D of the Income-tax Act, in the second proviso, for the words "five thousand rupees", the words "twenty thousand rupees" shall be substituted with effect from the 1st day of July, 2010.

Amendment of Section 194H.

39. In section 194H of the Income-tax Act, in the first proviso, for the words "two thousand five hundred rupees", the words "five thousand rupees" shall be substituted with effect from the 1st day of July, 2010.

Amendment of Section 194-I.

40. In section 194-I of the Income-tax Act, in the first proviso, for the words "one hundred and twenty thousand rupees", the words "one hundred eighty thousand rupees" shall be substituted with effect from the 1st day of July, 2010.

Amendment of Section 194J.

41. In section 194J of the Income-tax Act, in the first proviso to sub-section (1), in clause (B), for the words "twenty thousand rupees", wherever they occur, the words "thirty thousand rupees" shall be substituted with effect from the 1st day of July, 2010.

Amendment of Section 201.

42. In section 201 of the Income-tax Act, for sub-section (1A), the following subsection shall be substituted with effect from the 1st day of July, 2010 namely:

> "(1A) Without prejudice to the provisions of sub-section (1), if any such person, principal officer or company as is referred to in that sub-section does not deduct the whole or any part of the tax or after deducting fails to pay the tax as required by or under this Act, he or it shall be liable to pay simple interest,

(i) at one per cent, for every month or part of a month on the amount of such tax from the date on which such tax was deductible to the date on which such tax is deducted; and

(ii) at one and one-half per cent, for every month or part of a month on the amount of such tax from the date on which such tax was deducted to the date on which such tax is actually paid, and such interest shall be paid before furnishing the statement in accordance with the provisions of sub-section (3) of section 200."

Amendment of Section 203.

43. In section 203 of the Income-tax Act, sub-section (3) shall be omitted.

Amendment of Section 206C.

44. In section 206C of the Income-tax Act, in sub-section (5),

(a) the first proviso shall be omitted;

(b) in the second proviso, for the words "Provided further", the word "Provided" shall be substituted.

Amendment of Section 245A.

45. In section 245A of the Income-tax Act, in clause (b), with effect from the 1st day of June, 2010,

(i) in the proviso, clauses (ii) and (iii) shall be omitted;

(ii) in the Explanation,

(a) clause (ii) shall be omitted;
(b) after clause (iii), the following clause shall be inserted, namely: "(iiia) a proceeding for assessment or reassessment for any of the assessment years, referred to in clause (b) of sub-section (1) of section 153A in case of a person referred to in section 153A or section 153C, shall be deemed to have commenced on the date of issue of notice initiating such proceeding and concluded on the date on which the assessment is made;";

(c) in clause (iv), for the words, brackets and figures "clause (ii) or clause (iii) or clause (iv) of the proviso", the words, brackets, figures and letter "clause (iv) of the proviso or clause (iiia) of the Explanation" shall be substituted.

Amendment of Section 245C.

46. In section 245C of the Income-tax Act, in sub-section (1), for the proviso, the following proviso shall be substituted with effect from the 1st day of June, 2010, namely:

"Provided that no such application shall be made unless,

(i) in a case where proceedings for assessment or reassessment for any of the assessment years referred to in clause (b) of sub-section (1) of section 153A or clause (b) of sub-section (1) of section 153B in case of a person referred to in section 153A or section 153C have been initiated, the additional amount of income-tax payable on the income disclosed in the application exceeds fifty lakh rupees,

(ii) in any other case, the additional amount of income-tax payable on the income disclosed in the application exceeds ten lakh rupees, and such tax and the interest thereon, which would have been paid under the provisions of this Act had the income disclosed in the application been declared in the return of income before the Assessing Officer on the date of application, has been paid on or before the date of making the application and the proof of such payment is attached with the application.".

Amendment of Section 245D.

47. In section 245D of the Income-tax Act, in sub-section (4A),

(a) in clause (ii), after the words, figures and letters "the 1st day of June, 2007", the words, figures and letters "but before the 1st day of June, 2010" shall be inserted;

(b) after clause (ii), the following clause shall be inserted with effect from the 1st day of June, 2010, namely:

"(iii) in respect of an application made on or after the 1st day of June, 2010, within eighteen months from the end of the month in which the application was made.".

Amendment of Section 256.

48. In section 256 of the Income-tax Act, after sub-section (2), the following subsection shall be inserted and

shall be deemed to have been inserted with effect from the 1st day of June, 1981, namely:

"(2A) The High Court may admit an application after the expiry of the period of six months referred to in sub-section (2), if it is satisfied that there was sufficient cause for not filing the same within that period.".

Amendment of Section 260A.

49. In section 260A of the Income-tax Act, after sub-section (2), the following subsection shall be inserted and shall be deemed to have been inserted with effect from the 1st day of October, 1998, namely:

"(2A) The High Court may admit an appeal after the expiry of the period of one hundred and twenty days referred to in clause (a) of sub-section (2), if it is satisfied that there was sufficient cause for not filing the same within that period.".

Amendment of Section 271B.

50. In section 271B of the Income-tax Act, for the words "one hundred thousand rupees", the words "one hundred fifty thousand rupees" shall be substituted with effect from the 1st day of April, 2011.

Amendment of Section 282B.

51. In section 282B of the Income-tax Act [as inserted by section 78 of the Finance (No. 2) Act, 2009], with effect from the 1st day of October, 2010, 33 of 2009.

(a) in sub-section (1), for the words "income-tax authority shall", the words, figures and letters "income-tax authority shall, on or after the 1st day of July, 2011," shall be substituted;

(b) in sub-section (3), for the words "received by", the words, fiures and letters"received, on or after the 1st day of July, 2011, by" shall be substituted.

Amendment of First Schedule.

52. In the First Schedule to the Income-tax Act, in rule 5, for clause (b) [as inserted by clause

(ii) of section 80 of the Finance (No.2) Act, 2009], 33 of 2009 the following clause shall be substituted with effect from the 1st day of April, 2011, namely:

"(b) (i) any gain or loss on realisation of investments shall be added or deducted, as the case may be, if such gain or loss is not credited or debited to the profit and loss account;

(ii) any provision for diminution in the value of investment debited to the profit and loss account, shall be added back;".

Wealth-tax

Amendment of Section 22A.

53. In section 22A of the Wealth-tax Act, 1957 (27 of 1957) (hereinafter referred to as the Wealth-tax Act), in clause (b), with effect from the 1st day of June, 2010,

(i) in the proviso, clause (iii) shall be omitted;

(ii) in the Explanation,

(a) for clause (iii), the following clause shall be substituted, namely:

"(iii) a proceeding for assessment or reassessment for any of the assessment years, in consequence of a search initiated under section 37A or requisition made under section 37B, shall be deemed to have commenced on the date of issue of notice initiating such proceedings and concluded on the date on which the assessment is made;".

(b) in clause (iv), for the words, brackets and figure "or clause (iii) of the proviso", the words, brackets and figures "of the proviso or clause (iii) of the Explanation" shall be substituted.

Amendment of Section 22D

54. In section 22D of the Wealth-tax Act, in sub-section (4A),

(a) in clause (ii), after the words, figures and letters "the 1st day of June, 2007", the words, figures and letters "but before the 1st day of June, 2010" shall be inserted;

(b) after clause (ii), the following clause shall be inserted with effect from the 1st day of June, 2010, namely:

"(iii) in respect of an application made on or after the 1st day of June, 2010, within eighteen months from the end of the month in which the application was made.".

Amendment of Section 27.

55. In section 27 of the Wealth-tax Act, after sub-section (3A), the following sub-section shall be inserted and shall be deemed to have been inserted with effect from the 1st day of June, 1981, namely:

"(3B) The High Court may admit an application after the expiry of the period of ninety days referred to in sub-section (3), if it is satisfied that there was sufficient cause for not filing the same within that period.".

Amendment of Section 27A.

56. In section 27A of the Wealth-tax Act, after sub-section (1), the following sub-section shall be inserted and shall be deemed to have been inserted with effect from the 1st day of October, 1998, namely:

"(1A) The High Court may admit an appeal after the expiry of the period of one hundred and twenty days referred to in sub-section (1), if it is satisfied that there was sufficient cause for not filing the same within that period.".

CHAPTER IV

Indirect taxes

Customs
Amendment of Section 127B.

57. In the Customs Act, 1962, (52 of 1962) (hereinafter referred to as the Customs Act), in section 127B, in
sub-section (1), for the words "but excluding the goods no included in the entry made under this Act", the

words "or otherwise" shall be substituted.

Amendment of Section 127C.

58. In section 127C of the Customs Act, in sub-section (6), the following proviso shall be inserted, namely:

"Provided that the period specified under this sub-section may, for reasons to be recorded in writing, be extended by the Settlement Commission for a further period not exceeding three months.".

Amendment of Section 127L.

59. In section 127L of the Customs Act,

(a) in sub-section (1),

(i) the words, figures and letters "before the 1st day of June, 2007" shall be omitted;

(ii) in clause (i), after the words, brackets, figures and letter "sub-section (7) of section 127C", (22 of 2007) the words, figures, brackets and letter "as it stood immediately before the commencement of section 102 of the Finance Act 2007 or sub-section (5) of section 127C" shall be inserted;

(iii) in clause (ii), after the word, brackets and figure "sub-section (7)", the words, figures, brackets and letter "as it stood immediately before the commencement of section 102 of the Finance Act, 2007 (22 of 2007) or sub-section (5) of section 127C" shall be inserted;

(b) sub-section (2) shall be omitted.

Amendment of notifications issued under sub-section (1) of section 25 of Customs Act.

60. (1) The notifications of the Government of India in the Ministry of Finance (Department of Revenue) number G.S.R. 118(E), dated the 1st March, 2002 and number G.S.R. 92(E), dated the 1st March, 2006, issued under sub-section (1) of section 25 of the Customs Act, shall stand amended and shall be deemed to have been amended retrospectively, in the manner specified in column (3) of the Second Schedule, on and from the corresponding date specified in column

(4) of that Schedule, against each of the notifications specified in column (2) of that Schedule.

(2) For the purposes of sub-section (1), the Central Government shall have and shall be deemed to have the power to amend the notifications referred to in said sub-section (1) with retrospective effect as if the Central Government had the power to amend the said notifications under sub-section (1) of section 25 of the Customs Act, retrospectively, at all material times.

(3) No suit or other proceedings shall be instituted, maintained or continued in any court, tribunal or other authority for any action taken or anything done or omitted to be done, in respect of any goods, under any such rule, regulation, notification or order and no enforcement shall be made by any court, of any decree or order relating to such action taken or anything done or omitted to be done as if the amendments made in said notifications had been in force at all material times.

(4) Recovery shall be made of the amount which has not been paid but which would have been paid as if the amendments made in the manner specified in said subsection (1) had been in force at all material times.

Explanation. -For the removal of doubts, it is hereby declared that no act or omission on the part of any

person shall be punishable as an offence which would not have been so punishable if the notifications referred to in this section had not been amended retrospectively.

Customs tariff
Amendment of section 3.

61. In the Customs Tariff Act, 1975 (hereinafter referred to as the Customs Tariff Act), (51 of 1975.) in section 3, in sub-section (2), for the first proviso, the following proviso shall be substituted, namely:- " Provided that in case of an article imported into India,

(a) in relation to which it is required, under the provisions of the Standards of Weights and Measures Act, 1976, (60 of 1976) or the rules made there under or under any other law for the time being in force, to declare on the package thereof the retail sale price of such article; and (b) where the like article produced or manufactured in India, or in case where such like article is not so produced or manufactured, then, the class or description of articles to which the imported article belongs, is

(i) the goods specified by notification in the Official Gazette under sub-section (1) of section 4A of the Central Excise Act, 1944, (1 of 1944) the value of the imported article shall be deemed to be the retail sale price declared on the imported article less such amount of abatement, if any, from such retail sale price as the Central Government may, by notification in the Official Gazette, allow in respect of such like article under subsection (2) of section 4A of that Act; or

(ii) the goods specified by notification in the Official Gazette under section 3, read with clause (1) of Explanation III of the Schedule to the Medicinal and Toilet Preparations (Excise Duties) Act, 1955, 16 of 1955the value of the imported article shall be deemed to be the retail sale price declared on the imported article less such amount of abatement, if any, from such retail sale price as the Central Government may, by notification in the Official Gazette, allow in respect of such like article under clause
(2) of the said Explanation.

Explanation. -Where on any imported article more than one retail sale price is declared, the maximum of such retail sale price shall be deemed to be the retail sale price for the purposes of this section.".

Amendment of First Schedule.

62. The First Schedule to the Customs Tariff Act shall be amended in the manner specified in the Third Schedule.

Amendment of Second Schedule.

63. In the Second Schedule to the Customs Tariff Act, against heading No. 16, in column (3), afor the entry "Rs. 2500 per tonne", the entry "Rs. 10000 per tonne" shall be substituted.

Excise

Amendment of section 11A.

64. In the Central Excise Act, 1944 (hereinafter referred to as the Central Excise Act), (1 of 1944) in section 11A, in sub-section (2B), after Explanation 2, the following Explanation shall be inserted, namely: -

"Explanation 3. -For the removal of doubts, it is hereby declared that no penalty under any of the provisions of this Act or the rules made thereunder shall be imposed in respect of payment of duty under this sub-

section and interest thereon.".

Amendment of section 32E.

65. In section 32E of the Central Excise Act, in sub-section (1), for the words "but excluding the goods in respect of which no proper record has been maintained by the assessee in his daily stock register", the words "or otherwise" shall be substituted.

Amendment of section 32F.

66. In section 32F of the Central Excise Act, in sub-section (6), the following proviso shall be inserted, namely:

"Provided that the period specified under this sub-section may, for reasons to be recorded in writing, be extended by the Settlement Commission for a further period not exceeding three months.".

Amendment of section 32-O.

67. In section 32-0 of the Central Excise Act,

(a) in sub-section (1),

(i) the words, figures and letters "before the 1st day of June, 2007" shall be omitted;

(ii) in clause (i), after the words, brackets, figures and letter "sub-section (7) of section 32F", the words, figures, brackets and letter as it stood immediately before the commencement of section 122 of the Finance Act 2007 (22 of 2007) or sub-section
(5) of section 32F," shall be inserted;

(iii) in clause (ii), after the word, brackets and figure "sub-section (7)", the words, figures, brackets and letter ", as it stood immediately before the commencement of section 122 of the Finance Act, 2007 (22 of 2007)or sub-section (5) of section 32F," shall be inserted;

(b) sub-section (2) shall be omitted.

Amendment of section 37.

68. In section 37 of the Central Excise Act, in sub-section (2), after clause (xiii), the following clause shall be inserted, namely:

"(xiiia) provide for withdrawal of facilities or imposition of restrictions (including restrictions on utilisation of CENVAT credit) on manufacturer or exporter or suspension of registration of dealer, for dealing with evasion of duty or misuse of CENVAT credit;".

Amendment of Central Excise Rules, 1944 by insertion of new rule 57CCC.

69. (1) The Central Excise Rules, 1944, made by the Central Government in exercise of the powers conferred by section 37 of the Central Excise Act, shall stand amended and shall be deemed to have been amended retrospectively, in the manner specified in column (3) of the Fourth Schedule, on and from and up to the corresponding date specified in column (4) of that Schedule, against the rule specified in column (2) of that Schedule.

(2) Where a person opts to pay the amount in accordance with the provisions of the Central Excise Rules, 1944 as amended by sub-section (1), he shall pay the amount along with interest specified thereunder and make an application to the Commissioner of Central Excise along with documentary evidence and a certificate from a Chartered Accountant or a Cost Accountant certifying the amount of input credit attributable to the inputs used in or in relation to the manufacture of the final products, which are exempted rom the whole of the duty of excise leviable thereon or chargeable to nil rate of duty, within a period of six months from the date on which the Finance Bill, 2010 receives the assent of the President.

(3) The Commissioner of Central Excise shall, on receipt of an application under sub-section

(2), verify the correctness of the amount paid within a period of two months from the date of receipt of the application and in case the amount so paid is found to be less than the amount payable, he shall call upon the applicant to pay the differential amount along with interest, which shall be paid within a period of ten days from the date of receipt of the communication from the Commissioner in this regard.

(4) Notwithstanding anything contained in any judgment, decree or order of any court, tribunal or other authority, any action taken or anything done or purported to have been taken or done, at any time during the period commencing on and from the 1st day of September, 1996 and ending with the 31st day of March, 2000, relating to the provisions as amended by sub-section (1), shall be deemed to be and deemed always to have been, for all purposes, as validly and effectively taken or done as if the amendment made by sub-section (1) had been in force at all material times.

(5) Notwithstanding the supersession of the Central Excise Rules, 1944, for the purposes of sub-section (1), the Central Government shall have and shall be deemed to have the power to make rules with retrospective effect as if the Central Government had the power to make rules under section 37 of the Central Excise Act, retrospectively, at all material times.

Explanation. -For the removal of doubts, it is hereby declared that no act or omission on the part of any person shall be punishable as an offence which would not have been so punishable had this section not come into force.

Amendment of rule 57AD of Central Excise Rules, 1944.

70. (1) In the Central Excise Rules, 1944, made by the Central Government in exercise of the powers conferred by section 37 of the Central Excise Act, rule 57D, as substituted by rule 2 of the Central Excise (Second Amendment) Rules, 2000, published in the Official Gazette vide notification of the Government of India in the Ministry of Finance (Department of Revenue) number G.S.R. 203(E), dated the 1st March, 2000, and subsequently substituted as rule 57AD by rule 5 of the Central Excise [Second Amendment (Amendment)] Rules, 2000, published in the Gazette of India vide notification of the Government of India in the Ministry of Finance (Department of Revenue) number G.S.R. 298 (E), dated the 31st March, 2000, shall stand amended and shall be deemed to have been amended retrospectively, in the manner specified in column (3) of the Fifth Schedule, on and from and up to the corresponding date specified in column (4) of that Schedule against the rules specified in column (2) of that Schedule.

(2) Where a person opts to pay the amount in accordance with the provisions as amended by sub-section (1), he shall pay the amount along with interest specified thereunder and make an application to the Commissioner of Central Excise along with documentary evidence and a certificate from a Chartered Accountant or a Cost Accountant certifying the amount of input credit attributable to the inputs used in or in relation to the manufacture of the final products, which are exempted from the whole of the duty of excise leviable thereon or chargeable to nil rate of duty, within a period of six months from the date on which the Finance Bill, 2010 receives the assent of the President.

(3) The Commissioner of Central Excise shall, on receipt of an application under sub-section (2), verify the correctness of the amount paid within a period of two months from the date of receipt of the application and in case the amount so paid is found to be less than the amount payable, he shall call upon the applicant to

pay the differential amount along with interest which shall be paid within a period of ten days from the date of receipt of the communication from the Commissioner in this regard.

(4) Notwithstanding anything contained in any judgment, decree or order of any court, tribunal or other authority, any action taken or anything done or purported to have been taken or done, at any time during the period commencing on and from the 1st day of April, 2000 and ending with the 30th day of June, 2001 relating to the provisions as amended by sub-section (1), shall be deemed to be and deemed always to have been, for all purposes, as validly and effectively taken or done as if the amendment made by sub-section (1) had been in force at all material times.

(5) Notwithstanding the supersession of the Central Excise Rules, 1944, for the purposes of sub-section (1), the Central Government shall have and shall be deemed to have the power to make rules with retrospective effect as if the Central Government had the power to make rules under section 37 of the Central Excise Act, retrospectively, at all material times.

Explanation. -For the removal of doubts, it is hereby declared that no act or omission on the part of any person shall be punishable as an offence which would not have been so punishable had this section not come into force.

Amendment of rule 6 of CENVAT Credit Rules, 2001.

71. (1) In the CENVAT Credit Rules, 2001, made by the central Government in exercise of the powers conferred by section 37 of the Central Excise Act and published in the Official Gazette vide notification of the Government of India in the Ministry of Finance (Department of Revenue) number G.S.R. 445(E), dated the 21st June, 2001, rule 6 shall stand amended and shall be deemed to have been amended retrospectively, in the manner specified in column (3) of the Sixth Schedule, on and from and up to the corresponding date specified in column (4) of that Schedule, against the rules specified in column (2) of that Schedule.

(2) Where a person opts to pay the amount in accordance with the provisions as amended by sub-section (1), he shall pay the amount along with interest specified thereunder and make an application to the Commissioner of Central Excise along with documentary evidence and a certificate from a Chartered Accountant or a Cost Accountant certifying the amount of input credit attributable to the inputs used in or in relation to the manufacture of exempted goods within a period of six months from the date on which the Finance Bill, 2010 receives the assent of the President.

(3) The Commissioner of Central Excise shall, on receipt of an application under sub-section (2), verify the correctness of the amount paid within a period of two months from the date of receipt of the application and in case the amount so paid is found to be less than the amount payable, he shall call upon the applicant to pay the differential amount along with interest, which shall be paid within a period of ten days from the date of receipt of the communication from the Commissioner in this regard.

(4) Notwithstanding anything contained in any judgment, decree or order of any court, tribunal or other authority, any action taken or anything done or purported to have been taken or done, at any time during the period commencing on and from the 1st day of July, 2001 and ending with the 28th day of February, 2002, relating to the provisions as amended by sub-section (1), shall be deemed to be and deemed always to have been, for all purposes, as validly and effectively taken or done as if the amendment made by sub-section (1) had been in force at all material times.

(5) Notwithstanding the supersession of the CENVAT Credit Rules, 2001, for the purposes of sub-section (1), the Central Government shall have and shall be deemed to have the power to make rules with retrospective effect as if the Central Government had the power to make rules under section 37 of the Central Excise Act, retrospectively, at all material times.

Explanation. -For the removal of doubts, it is hereby declared that no act or omission on the part of any

person shall be punishable as an offence which would not have been so punishable had this section not come into force.

Amendment of rule 6 of CENVAT Credit Rules, 2002.

72. (1) In the CENVAT Credit Rules, 2002, made by the central Government in exercise of the powers conferred by section 37 of the Central Excise Act, and published in the Official Gazette vide notification of the Government of India in the Ministry of Finance (Department of Revenue) number G.S.R. 144(E), dated the 1st March, 2002, rule 6 shall stand amended and shall be deemed to have been amended retrospectively, in the manner specified in column (3) of the Seventh Schedule, on and from and to the corresponding date specified in column (4) of that Schedule, against the rule specified in column (2) of that Schedule.

(2) Where a person opts to pay the mount in accordance with the provisions as amended by sub-section (1), he shall pay the amount along with interest specified thereunder and make an application to the Commissioner of Central Excise along with documentary evidence and a certificate from a Chartered Accountant or a Cost Accountant certifying the amount of input credit attributable to the inputs used in or in relation to the manufacture of exempted goods within a period of six months from the date on which the Finance Bill, 2010 receives the assent of the President.

(3) The Commissioner of Central Excise shall or receipt of an application under subsection (2), verify the correctness of the amount paid within a period of two months from the date of receipt of the application and in case the amount so paid is found to be less than the amount payable, he shall call upon the applicant to pay the differential amount along with interest, which shall be paid within a period of ten days from the date of receipt of the communication from the Commissioner in this regard.

(4) Notwithstanding anything contained in any judgment decree or order of any court, tribunal or other authority, any action taken or anything one or purported to have been taken or done, at any time during the period commencing on and from the 1st day of March, 2002 and ending with the 9th day of September, 2004, relating to the provisions as amended by sub-section (1), shall be deemed to be, and deemed always to have been, for all purposes, as validly and effectively taken or done as if the amendment made by sub-section (1) had been in force at all material times.

(5) Notwithstanding the supersession of the CENVAT Credit Rules, 2002, for the purposes of sub-section (1), the Central Government shall have and shall be deemed to have the power to make rules with retrospective effect as if the Central Government had the power to make rules under section 37 of the Central Excise Act, retrospectively, at all material times.

Explanation. -For the removal of doubts, it is hereby declared that no act of omission on the part of any person shall be punishable as an offence which would not have been so punishable had this section not come into force.

Amendment of rule 6 of CENVAT Credit Rules, 2004.

73. (1) In the CENVAT Credit Rules, 2004, made by the Central Government in exercise of the powers conferred by section 37 of the Central Excise Act, as published in the Official Gazette vide notification of the Government of India in the Ministry of Finance (Department of Revenue) number G.S.R. 600(E), dated the 10th September, 2004, rule 6 shall stand amended and shall be deemed to have been amended retrospectively, in the manner specified in column (3) of the Eighth Schedule, on and from and up to the corresponding date specified in column (4) of that Schedule, against the rule specified in column (2) of that Schedule.

(2) Where a person opts to pay the amount in accordance with the provisions as amended by sub-section (1), he shall pay the amount along with interest specified thereunder and make an application to the Commissioner of Central Excise along with documentary evidence and a certificate from a Chartered

Accountant or a Cost Accountant, certifying the amount of input credit attributable to the inputs used in or in relation to the manufacture of exempted goods, within a period of six months from the date on which the Finance Bill, 2010 receives the assent of the President.

(3) The Commissioner of Central Excise shall, on receipt of an application under sub-section (2), verify the correctness of the amount paid within a period of two months from the date of receipt of the application and in case the amount so paid is found to be less than the amount payable, he shall call upon the applicant to pay the differential amount along with interest, which shall be paid within a period of ten days from the date of receipt of the communication from the Commissioner in this regard.

(4) Notwithstanding anything contained in any judgment decree or order of any court, tribunal or other authority, any action taken or anything done or purported to have been taken or done, at any time during the period commencing on and from the 10th day of September, 2004 and ending with the 31st day of March, 2008, relating to the provisions as amended by sub-section (1), shall be deemed to be and deemed always to have been, for all purposes, as validly and effectively taken or done as if the amendment made by sub-section (1) had been in force at all material times.

(5) For the purposes of sub-section (1), the Central Government shall have and shall be deemed to have the power to make rules with retrospective effect as if the Central Government had the power to make rules under section 37 of the Central Excise Act, retrospectively, at all material times.

Explanation. -For the removal of doubts, it is hereby declared that not act or omission on the part of any person shall be punishable as an offence which would not have been so punishable had this section not come into force.

Amendment of notification issued under rule 5 of CENVAT Credit Rules, 2004.

74. In the notification of the Government of India in the Ministry of Finance (Department of Revenue) number G.S.R. 156(E), dated the 14th day of March, 2006, issued under rule 5 of the CENVAT Credit Rules, 2004, with effect from the 14th day of March, 2006,—

(A) in the opening portion,

(i) in clause (a), for the words "used in", the words "used in or in relation to" shall be substituted and shall be deemed to have been substituted;

(ii) in clause (b), for the words "used in", the words "used for" shall be substituted and shall be deemed to have been substituted;

(B) in the Appendix, in condition 5, the portion beginning with the letters and words "i.e. Maximum refund" and ending with the letters and figures "i.e. Rs. 50" shall be omitted and shall be deemed to have been omitted.

Central Excise Tariff

Amendment of First Schedule to Act 5 of 1986.

75. The First Schedule to the Central Excise Tariff Act , 1985 (hereinafter referred to as the Central Excise Tariff Act) shall be amended in the manner specified in the Ninth Schedule.

CHAPTER V

Service Tax

Amendment of Act 32 of 1994.

76. In the Finance Act, 1994,

(A) in section 65, save as otherwise provided, with effect from such date as the Central Government may, by notification in the Official Gazette, appoint,

(1) in clause (19), in sub-clause (ii), the Explanation shall be omitted;
(2) after clause (19a), the following clause shall be inserted, namely:

'(19b) "business entity" includes an association of persons, body of individuals, company or firm but does not include an individual;';

(3) in clause (25b), for the words "commercial or industrial construction service", the words "commercial or industrial construction" shall be substituted;
(4) for clause (77c), the following clause shall be substituted, namely: '(77c) "passenger" means any person boarding an aircraft in India for performing domestic journey or international journey;';

(5) for clause (82), the following clause shall be substituted, namely: '(82) "port service" means any service rendered within a port or other port, in any manner;';

(6) in clause (105),

(a) for sub-clause (zn), the following sub-clause shall be substituted, namely:

"(zn) to any person, by any other person, in relation to port services in a port, in any manner:

Provided that the provisions of section 65A shall not apply to any service when the same is rendered wholly within the port;";

(b) in sub-clause (zzc), the following Explanation shall be inserted and shall be deemed to have been inserted with effect from the 1st day of July. 2003, namely:

'Explanation. -For the removal of doubts, it is hereby declared that the expression "commercial training or coaching centre" occurring in this sub-clause and in clauses (26), (27) and (90a) shall include any centre or institute, by whatever name called, where training or coaching is imparted for consideration, whether or not such centre or institute is registered as a trust or a society or similar other organisation under any law for the time being in force and carrying on its activity with or without profit motive and the expression "commercial training or coaching" shall be construed accordingly;';

(c) for sub-clauses (zzl) and (zzm), the following sub-clauses shall be substituted, namely:

"(zzl) to any person, by any other person, in relation to port services in other port, in any manner:

Provided that the provisions of section 65A shall not apply to any service when the same is rendered wholly within other port;

(zzm) to any person, by airports authority or by any other person, in any airport or a civil enclave:

Provided that the provisions of section 65A shall not apply to any service when the same is rendered wholly

within the airport or civil enclave;";

(d) in sub-clause (zzq),

(i) the word "service" shall be omitted;

(ii) the following Explanation shall be inserted, namely:

"Explanation. -For the purposes of this sub-clause, the construction of a new building which is intended for sale, wholly or partly, by a builder or any person authorised by the builder before, during or after construction (except in cases for which no sum is received from or on behalf of the prospective buyer by the builder or the person authorised by the builder before grant of completion certificate by the authority competent to issue such certificate under any law for the time being in force) shall be deemed to be service provided by the builder to the buyer;";

(e) in sub-clause (zzzh), the following Explanation shall be inserted, namely:

"Explanation. -For the purposes of this sub-clause, construction of a complex which is intended for sale, wholly or partly, by a builder o any person authorised by the builder before, during or after construction (except in cases for which no sum is received from or on behalf of the prospective buyer by the builder or a person authorised by the builder before the grant of completion certificate by the authority competent to issue such certificate under any law for the time being in force) shall be deemed to be service provided by the builder to the buyer;";

(f) for sub-clauses (zzzn) and (zzzo), the following sub-clauses shall be substituted, namely:

"(zzzn) to any person, by any other person receiving sponsorship, in relation to such sponsorship, in any manner;

(zzzo) to any passenger, by an aircraft operator, in relation to scheduled or nonscheduled air transport of such passenger embarking in India for domestic journey or international journey;";

(g) in sub-clause (zzzr), the following Explanation shall be inserted, namely: 'Explanation. -For the removal of doubts, it is hereby declared that for the purposes of this sub-clause, "auction by the Government" means the Government property being auctioned by any person acting as auctioneer;';

(h) in sub-clause (zzzz),

(i) for the portion beginning with the words "to any person" and ending with the words "business or commerce", the following shall be s bstituted and shall be deemed to have been substituted with effect from the 1st day of June, 2007, namely: "to any person, by any other person, by renting of immovable property or any other service in relation to such renting, for use in the course of or for furtherance of, business or commerce.";

(ii) in Explanation 1, after item (iv), the following tem shall be inserted, namely: "(v) vacant land given on lease or licence for constru tion of building or temporary structure at a later stage to be used for furtherance f business or commerce;";

(i) in sub-clause (zzzze), the words "for use in the course, or furtherance, of business or commerce," shall be omitted;

(j) in sub-clause (zzzzf), in the Explanation, for clauses (ii) and (iii), the following clause shall be substituted, namely: "(ii) the gross amount charged by the insurer from the policy holder for the said service provided or to be provided shall be equal to the maximum amount fixed by the Insurance Regulatory and Development Authority established under section 3 of the Insurance Regulatory and Development Authority Act, 1999, (41 of 1999) as fund management charges for unit linked insurance plan or the actual amount charged for the said purpose by the insurer from the policy holder, whichever is higher;";

(k) Explanation to sub-clause (zzzzm) shall be omitted;

(L) after sub-clause (zzzzm), the following sub-clauses shall be inserted, namely:

'(zzzzn) to any person, by any other person, for promotion marketing, organising or in any other manner assisting in organising games of chance, including lottery, Bingo or Lotto in whatever form or by whatever name called, whether or not conducted through internet or other electronic networks ;
(zzzzo) by any hospital, nursing home or multi-speciality clinic,

(i) to an employee of any business entity, in relation to health check-up or preventive care, where the payment for such check-up or preventive care is made by such business entity directly to such hospital, nursing home or multi-speciality clinic; or

(ii) to a person covered by health insurance scheme, for any health check-up or treatment, where the payment for such health check-up or treatment is made by the insurance company directly to such hospital, nursing home or multi-speciality clinic;

(zzzzp) to any business entity, by any other person, in relation to storing, keeping or maintaining of medical records of employees of a business entity;

(zzzzq) to any person, by any other person, through a business entity or otherwise, under a contract for promotion or marketing of a brand of goods, service, event or endorsement of name, including a trade name, logo or house mark of a business entity by appearing in advertisement and promotional event or carrying out any promotional activity for such goods, service or event.

Explanation. -For the purposes of this sub-clause, "brand" includes symbol, monogram, label, signature or invented words which indicate connection with the said goods, service, event or business entity;

(zzzzr) to any person, by any other person, by granting the right or by permitting commercial use or exploitation of any event including an event relating to art, entertainment, business, sports or marriage organised by such other person;

(zzzzs) to any person, by an electricity exchange, by whatever name called, approved by the Central Electricity Regulatory Commission constituted under section 76 of the Electricity Act, 2003, (36 of 2003) in relation to trading, processing, clearing or settlement of spot contracts, term ahead contracts, seasonal contracts, derivatives or any other electricity related contract;

(zzzzt) to any person, by any other person, for

(a) transferring temporarily; or

(b) permitting the use or enjoyment of,

any copyright defined in the Copyright Act, 1957, (14 of 1957) except the rights covered under sub-clause (a) of clause (1) of section 13 of the said Act; (zzzzu) to a buyer, by a builder of a residential complex, or a commercial complex, or any other person authorised by such builder, for providing preferential location or development of such complex but does not include services covered under sub-clauses (zzg), (zzq), (zzzh) and in relation to parking place.

Explanation. -For the purposes of this sub-clause, "preferential location" means any location having extra advantage which attracts extra payment over and above the basic sale price;';

(B) in section 66, with effect from such date as the Central Government may, by notification in the Official Gazette, appoint, for the word, brackets and letters "and (zzzzm)", the brackets, letters and word ", (zzzzm),

(zzzzn), (zzzzo), (zzzzp), (zzzzq), (zzzzr), (zzzzs), (zzzzt) and (zzzzu)" shall be substituted;

(C) in section 73, in sub-section (3), the Explanation shall be numbered as Explanation 1 thereof and after Explanation 1 as so numbered, the following Explanation shall be inserted, namely:

"Explanation 2. -For the removal of doubts, it is hereby declared that no penalty under any of the provisions of this Act or the rules made thereunder shall be imposed in respect of payment of service tax under this sub-section and interest thereon.";

(D) in section 95, after sub-section (1F), the following sub-section shall be inserted, namely:

"(1G) If any difficulty arises in respect of implementing, classifying or assessing the value of any taxable service incorporated in this Chapter by the Finance Act, 2010, the Central Government may, by order published in the Official Gazette, not inconsistent with the provisions of this Chapter, remove the difficulty:

Provided that no such order shall be made after the expiry of a period of one year from the date on which the Finance Bill, 2010 receives the assent of the President".

Validation of action taken under sub-clause (zzzz) of clause (105) of section 65.

77. Any action taken or anything done or omitted to be done or purported to have been taken or done or omitted to be done under sub-clause (zzzz) of clause (105) of section 65 of the Finance Act, 1994, (32 of 1994) at any time during the period commencing on and from the 1st day of June, 2007 and ending with the day, the Finance Bill, 2010 receives the assent of the President, shall be deemed to be and deemed always to have been, for all purposes, as validly and effectively taken or done or omitted to be done as if the amendment made in sub-clause (zzzz) of clause
(105) of section 65, by sub-item (i) of item (h) of sub-clause (6) of clause (A) of section 76 of the Finance Act, 2010 had been in force at all material times and, accordingly, notwithstanding anything contained in any judgment, decree or order of any court, tribunal or other authority,—

(a) any action taken or anything done or omitted to be taken or done in relation to the levy and collection of service tax during the said period on the taxable service of renting of immovable property, shall be deemed to be and deemed always to have been, as validly taken or done or omitted to be done as if the said amendment had been in force at all material times;

(b) no suit or other proceedings shall be maintained of continued in any court, tribunal or other authority for the levy and collection of such service tax and no enforcement shall be made by any court of any decree or order relating to such action taken or anything done or omitted to be done as if the said amendment had been in force at all material times;

(c) recovery shall be made of all such amounts of service tax, interest or penalty or fine or other charges which may not have been collected or, as the case may be, which have been refunded but which would have been collected or, as the case may be, would not have been refunded, as if the said amendment had been in force at all material times.

Explanation. -For the removal of doubts, it is hereby declared that no act or omission on the part of any person shall be punishable as an offence which would not have been so punishable had this amendment not come into force.

CHAPTER VI

Central Sales Tax

Amendment of section 6A.

78. In the Central Sales Tax Act, 1956 (74 of 1956) (hereinafter referred to as the Central Sales Tax Act), in section 6A, -

(a) in sub-section (2), for the portion beginning with the words are true, he may" and ending with the words "declaration relates shall", the words "are true and that no inter-State sale has been effected, he may, at the time of, or at any time before, the assessment of the tax payable by the dealer under this Act, make an order to that effect and thereupon the movement of goods to which the declaration relates shall, subject to the provisions of sub-section (3)," shall be substituted;

(b) after sub-section (2), the following sub-section shall be inserted, namely:

"(3) Nothing contained in sub-section (2) shall preclude reassessment by the assessing authority on the ground of discovery of new facts or revision by a higher authority on the ground that the findings of the assessing authority are contrary to law, and such reassessment or revision may be done in accordance with the provisions of general sales tax law of the State.”.

Insertion of new Chapter VA.

79. After Chapter V of the Central Sales Tax Act, the following Chapter shall be inserted, namely:

'CHAPTER VA

APPEALS TO THE HIGHEST APPELLATE AUTHORITY OF THE STATE

Appeals to highest appellate authority of State.

18A. (1) Notwithstanding anything contained in a State Act, any person aggrieved by an order made by the assessing authority under sub-section (2) of section 6A, or an order made under the provisions of sub-section (3) of that section, may, notwithstanding anything contained in the general sales tax law of the appropriate State, prefer an appeal to the highest appellate authority of the State against such order:

Provided that any incidental issues including the rate of tax, computation of assessable turnover and penalty may be raised in such appeal.

(2) An appeal under sub-section (1) shall be filed within sixty days from the date on which the order referred to in that sub-section is communicated to the aggrieved person:

Provided that any appeal forwarded by the highest appellate authority of a State to the first appellate authority under the proviso to sub-section (2) of section 25 and pending before such authority immediately before the appointed day shall be transferred, on such appointed day, to the highest appellate authority of the State and the same shall be treated as an appeal filed under sub-section (1) and dealt with accordingly.

Explanation. -For the purposes of this sub-section, "appointed day" means such date as the Central Government may, by notification in the Official Gazette, appoint.

(3) The highest appellate authority of a State may, after giving both the parties an opportunity of being heard, pass appropriate order.

(4) The highest appellate authority of the State may, as far as practicable, hear and decide such appeal within a period of six months from the date of filing of the appeal.

(5) Notwithstanding anything contained in a State Act, the highest appellate authority of a State may, on the application of the appellant and after considering relevant facts, including the deposit of any amount to words local or central sales tax in other States on the same goods, pass an order of stay subject to such terms and conditions as it thinks fit, and such order may, inter alia, indicate the portion of tax as assessed, to be deposited prior to admission of the appeal.

Explanation. -For the purposes of this section and sections 20, 21, 22 and 25, "highest appellate authority of a State", with its grammatical variations, means any authority or tribunal or court, except the High Court, established or constituted under the general sales tax law of a State, by whatever name called.'.

Amendment of section 20.

80. In section 20 of the Central Sales Tax Act, for sub-section (1) and the Explanation thereunder, the following sub-section shall be substituted, namely:

"(1) An appeal shall lie to the Authority against any order passed by the highest appellate authority of a State under this Act determining issues relating to stock transfers or consignments of goods, in so far as they involve a dispute of inter-State nature.".

Amendment of section 22

81. In section 22 of the Central Sales Tax Act,

(a) for the word "pre-deposit", wherever it occurs, the word "deposit" shall he substituted;

(b) after sub-section (1A), the following sub-section shall be inserted, namely;

> "(1B) The Authority may issue direction for refund of tax collected by a State which has been held by the Authority to be not due to that State, or alternatively, direct that State to transfer the refundable amount to the State to which central sales tax is due on the same transaction:
>
> Provided that the amount of tax directed to be refunded by a State shall not exceed the amount of central sales tax payable by the appellant on the same transaction.".

Amendment of section 25

82. In section 25 of the Central Sales Tax Act, the proviso to sub-section (2) shall be omitted.

CHAPTER VII

CLEAN ENERGY CESS

83. (1) This Chapter extends to the whole of India.

(2) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.

(3) There shall be levied and collected in accordance with the provisions of this Chapter, a cess to be called the Clean Energy Cess, as duty of excise, on goods specified in the Tenth Schedule, being goods produced in India, at the rates set forth in the said Schedule for the purposes of financing and promoting clean energy initiatives, funding research in the area of clean energy or for any other purpose relating thereto.

(4) The proceeds of the cess levied under sub-section (3) shall first be credited to the Consolidated Fund of India and the Central Government may, after due appropriation made by Parliament by law in this behalf, utilise such sums of money of the cess for the purposes specified in sub-section (3), as it may consider necessary.

(5) The cess leviable under sub-section (3) shall be in addition to any cess or duty leviable on the goods specified in the Tenth Schedule under any other law for the time being in force.

(6) The cess leviable under sub-section (3) shall be for the purposes of the Union and the proceeds thereof shall not be distributed among the States and the manner of assessment, collection, utilisation and any other matter relating to cess shall be such as may be prescribed by rules.

(7) The Central Government may, by notification in the Official Gazette, declare that any of the provisions of the Central Excise Act, 1944, 1 of 1944 relating to levy of and exemption from duty of excise, refund, offences and penalties, confiscation and procedure relating to offences and appeals shall, with such modifications and alterations as it may consider necessary, be applicable in respect of cess levied under sub-section (3).

Power of Central Government to make rules

84. (1) The Central Government may, by notification in the Official Gazette, make rules for carrying out the provisions of this Chapter.

(2) In particular, and without prejudice to the generality of the foregoing power, such rules may provide for (a) the manner of assessment, collection and utilisation of the cess under subsection (6) of section 83; (b) any other matter relating to the cess under sub-section (6) of section 83.

(3) Every rule made and every notification issued under this Chapter shall be laid as soon as may be after it is made or issued, before each House of Parliament, while it is in session, for a total period of thirty days which may be comprised in one session, or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the rule or notification, or both Houses agree that the rule or notification should not be made or issued, the rule or notification shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule or notification.

CHAPTER VIII

Miscellaneous

Amendment of section 3 of Act 16 of 1955

85. In the Medicinal and Toilet Preparations (Excise Duties) Act, 1955, in section 3, in subsection (1), after the words "dutiable goods", the brackets and words "excluding goods produced or manufactured in a Special Economic Zone)" shall be inserted.

Amendment of Seventh Schedule to Act 14 of 2001.

86. The Seventh Schedule to the Finance Act, 2001 shall be amended in the manner specified in the Eleventh Schedule.

Amendment of Seventh Schedule to Act 18 of 2005.

87. The Seventh Schedule to the Finance Act, 2005 shall be amended in the manner specified in the Twelfth Schedule.

THE FIRST SCHEDULE PART I

(See section 2)

INCOME TAX

Paragraph A

(I) In the case of every individual other than the individual referred to in items (II) and (III) of this Paragraph or Hindu undivided family or association of persons or body of individuals, whether incorporated or not, or every artificial juridical person referred to in sub-clause (vii) of clause (31) of section 2 of the Income-tax Act, not being a case to which any other aragraph of this Part applies,

Rates of income-tax	
(1) where the total income does not exceed Rs. 1,60,000	Nil;
(2) where the total income exceeds Rs. 1,60.000 but does not exceed Rs. 3,00,000	10 per cent, of the amount by which the total income exceeds Rs. 1,60,000;
(3) where the total income exceeds Rs. 3,00,000 but does not exceed Rs. 5,00,000	Rs. 14,000 plus 20 per cent, of the amount by which the total income exceeds Rs. 3,00,000;
(4) where the total income exceeds Rs. 5,00,000	Rs. 54,000 plus 30 per cent, of the amount by which the total income exceeds Rs. 5,00,000.

(II) In the case of every individual, being a woman resident in India, and below the age of sixty-five years at any time during the previous year,

Rates of income-tax	
(1) where the total income does not exceed Rs. 1,90,000	Nil;
(2) where the total income exceeds Rs. 1,90,000 but does not exceed Rs. 3,00,000	10 per cent, of the amount by which the total income exceeds Rs. 1,60,000;
(3) where the total income exceeds Rs. 3,00,000 but doesnot exceed Rs.5,00,000	Rs. 11,000 plus 20 per cent, of the amount by which the total income exceeds Rs. 3,00,000
(4) Where the total income exceeds Rs. 5,00,000	Rs. 51,000 Plus 30 percent, of the amount by which the total income exceeds Rs.5,00,000

(III) In the case of every individual, being a resident in India, who is of the age of sixty-five years or more at any time during the previous year,

Rates of income-tax	
(1) where the total income does not exceed Rs. 2,40,000	Nil;
(2) where the total income exceeds Rs. 2,40,000 but does not exceed Rs. 5,00,000	10 per cent, of the amount by which the total income exceeds Rs. 2,40,000;
(3) where the total income exceeds Rs. 5,00,000 but does not exceed Rs. 8,00,000	Rs. 26,000 plus 20 per cent, of the amount by which the total income exceeds Rs. 5,00,000;
(4) where the total income exceeds Rs. 8,00,000	Rs. 86,000 Plus 30 per cent, of the amount by which the total income exceeds Rs.8,00,000

Paragraph B

In the case of every co-operative society:-

Rates of Income-Tax	
(1) Where the total income doesnot exceed Rs.10,000	10 per cent, of the total income;
(2) Where the total income exceed Rs. 10,000	Rs.1,000 plus 20 percent, of the amount by which the tortal income exceeds Rs.10,000
(3) where the total income exceeds Rs.20,000	Rs. 3,000 plus 30 per cent, of the amount by which the total income exceeds Rs.20,000

Paragraph C

In the case of every co-operative society

Rate of income-tax	
On the whole of the total income	30 per cent

Paragraph D

In the case of every local authority-

Rate of income-tax	
On the whole of the total income	30 per cent

Paragraph-E

Rate of income-tax	
I. In the case of a domestic company	30 per cent, of the total income;
II. In the case of a domestic company(1) on so much of the total income as consists of,(a) royalties received from Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern after the 31st day of March, 1961 but before the 1st day of April, 1976; or (b) fees for rendering technical services received from Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern after the 29th day of February, 1964 but before the 1st day of April, 1976,	
and where such agreement has, in either case, been approved by the Central Government	50 per cent:
(ii) on the balance, if any, of the total income	40 per cent.

Surcharge on income-tax

The amount of income-tax computed in accordance with the preceding provisions of this Paragraph, or in section 111A or section 112, shall, in the case of every company, be increased by a surcharge for purposes of the Union calculated,

(i) in the case of every domestic company having a total income exceeding one crore rupees, at the rate of ten per cent, of such income-tax;

(ii) in the case of every company other than a domestic company having a total income exceeding one crore rupees, at the rate of two and one-half per cent.:

Provided that in the case of every company having a total income exceeding one crore rupees, the total amount payable as income-tax and surcharge on such income shall not exceed the total amount payable as income-tax on a total income of one crore rupees by more than the amount of income that exceeds one crore rupees.

PART II

Rates for deduction of tax at source in certain cases

In every case in which under the provisions of sections 193,194,194A, 194B, 194BB, 194D and 195 of the Income-tax Act, tax is to be deducted at the rates in force, deduction shall be made from the income subject to the deduction at the following rates:

Rate of income-tax	
1. In the case of a person other than a company(a) where the person is resident in India	
(i) on income by way of interest other than "Interest on securities"	10 per cent.;
(ii) on income by way of winnings from lotteries, crossword puzzles, card games and other games of any sort	30 per cent;
(iii) on income by way of winnings from horse races	30 per cent.;
(iv) on income by way of insurance commission	10 per cent;

(v) on income by way of interest payable on	10 per cent.;
(A) any debentures or securities for money issued by or on behalf of any local authority or a corporation established by a Central, State or Provincial Act; (B) any debentures issued by a company where such debentures are listed on a recognised stock exchange in India in accordance with the Securities Contracts (Regulation) Act, 1956 (42 of 1956) and any rules made thereunder; (C) any security of the Central or State Government	
(vi) on any other income	10 per cent.;
(b) where the person is not resident in India	
(i) in the case of a non-resident Indian	
(A) on any investment income	20 per cent.;
(B) on income by way of long-term capital gains referred to in section 115E	10 per cent.;
(C) on income by way of short-term capital gains referred to in section 111A	15 per cent.:
(D) on other income by way of long-term capital gains [not being long-term capital gains referred to in clauses (33), (36) and (38) of section 10]	20 per cent.;
(E) on income by way of interest payable by Government or an Indian concern on moneys borrowed or debt incurred by Government or the Indian concern in foreign currency	20 per cent.;
(F) on income by way of royalty payable by Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern where such royalty is in consideration for the transfer of all or any rights (including the granting of a licence) in respect of copyright in any book on a subject referred to in the first proviso to sub-section (1A) of section 115A of the Income-tax Act, to the Indian concern, or in respect of any computer software referred to in the second proviso to sub-section (1A) of section 115A of the Income-tax	
(I) where the agreement is made on or after the 1st day of June, 1997 but before the 1st day of June, 2005	20 per cent.;
(II) where the agreement is made on or after the 1st day of June, 2005	10 per cent.;
(G) on income by way of royalty [not being royalty of the nature referred to in sub-item (b)(i)(F)] payable by Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern and where such agreement is with an Indian concern, the agreement is approved by the Central Government or where it relates to a matter included in the industrial policy, for the time being in force, of the Government of India, the agreement is in accordance with that policy	
(I) where the agreement is made on or after the 1st day of June, 1997 but before the 1st day of June, 2005	20 per cent.:
(II) where the agreement is made on or after the 1st day of June, 2005	10 per cent.;
(H) on income by way of fees for technical services payable by Government or an Indian concern in pursuance of an agreement made by It with the Government or the Indian concern and where such agreement is with an Indian concern, the agreement is approved by the Central Government or where it relates to a matter included in the industrial policy, for the time being in force, of the Government of India, the agreement is in accordance with that policy	
(i) where the agreement is made on or after the 1st day of June. 1997 but before the 1st day of June, 2005	20 per cent.;
(ii) where the agreement is made on or after the 1st day of June, 2005	10 per cent.;
(I) on income by way of winnings from lotteries, crossword puzzles, card games and other games of any sort	30 per cent;
(J) on income by way of winnings from horse races	30 per cent.;
(K) on the whole of the other income	30 per cent.;
(ii) in the case of any other person	
(A) on income by way of interest payable by Government or an Indian concern on moneys borrowed or debt incurred by Government or the Indian concern in foreign currency	20 per cent.

(B) on income by way of royalty payable by Government an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern where such royalty is in consideration for the transfer of all or any rights (including the granting of a licence) in respect of copyright in any book on a subject referred to in the first proviso to sub-section (1A) of section 115A of the Income-tax Act, to the Indian concern, or in respect of any computer software referred to in the second proviso to sub-section (1A) of section 115A of the income-tax Act, to a person resident in India	
(I) where the agreement is made on or after the 1st day of June, 1997 but before the 1st day of June, 2005	20 per cent,
(II) where the agreement is made on or after the 1st day of June, 2005	10 per cent:
(C) on income by way of royalty [not being royalty of nature referred to in sub-item (b)(ii)(B)] payable by Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern and where such agreement is with an Indian concern, the agreement is approved by the Central Government or where it relates to a matter included in the industrial policy, for the time being in force, of the Government of India, the agreement is in accordance with that policy	
(I) where the agreement is made on or after the 1st day of June, 1997 but before the 1st day of June, 2005	20 per cent;
II) where the agreement is made on or after the 1st day of June, 2005	10 per cent.;
(D) on income by way of fees for technical services payable by Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern and where such agreement is with an Indian concern, the agreement is approved by the Central Government or where it relates to a matter included in the industrial policy, for the time being in force, of the Government of India, the agreement is in accordance with that policy	
(I) where the agreement is made on or after the 1st day of June, 1997 but before the 1st day of June, 2005	20 per cent.;
(II) where the agreement is made on or after the 1st day of June, 2005	10 per cent.;
(E) on income by way of winnings from lotteries, crossword puzzles, card games and other games of any sort	30 per cent.;
(F) on income by way of winnings from horse races	30 per cent;
G) on income by way of short-term capital gains referred to in section 111A	15 per cent.;
(H) on income by way of long-term capital gains [not being long-term capital gains referred to in clauses (33), (36) and (38) of section 10]	20 per cent.;
(I) on the whole of the other income	30 per cent
2. In the case of a company	
(a) where the company is a domestic company	
(i) on income by way of interest other than "Interest on securities"	10 per cent.;
(ii) on income by way of winnings from lotteries, 30 per crossword puzzles, card games and other games of any sort	30 per cent
(iii) on income by way of winnings from horse races	30 Per cent
(iv) on any other income	10 per cent
(b) where the company is not a domestic company	
(i) on income by way of winnings from lotteries, crossword puzzles, card games and other games of any sort	30 percent
(ii) on income by way of winnings from horse races	30 per cent

(iii) on income by way of interest payable by Government or an Indian concern on moneys borrowed or debt incurred by Government or the Indian concern in foreign currency	20 per cent
(iv) on income by way of royalty payable by Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern after the 31st day of March, 1976 where such royalty is in consideration for the transfer of all or any rights (including the granting of a licence in respect of copyright in any book on a subject referred to in the first proviso to sub-section (1A) of section 115A of the Income-tax Act, to the Indian concern, or in respect of any computer software referred to in the second proviso to sub-section (1A) of section 115A of the Income-tax Act, to a person resident in India	
A) where the agreement is made before the 1st day of June, 1997	30 per cent
(B) where the agreement is made on or after the 1st 20 perday of June, 1997 but before the 1st day of June, 2005	20 per cent
(C) where the agreement is made on or after the 1st day of June, 2005	10 Per cent
(v) on income by way of royalty [not being royalty of the nature referred to in sub-item (b)(iv)] payable by Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern and where such agreement is with an Indian concern, the agreement is approved by the Central Government or where it relates to a matter included in the industrial policy, for the time being in force, of the Government of India, the agreement is in accordance with that policy-	
(A) where the agreement is made after the 31st day of March, 1961 but before the 1st day of April, 1976	50 per cent;
(B) where the agreement is made after the 31st day of March, 1976 but before the 1st day of June, 1997	30 per cent;
(C) where the agreement is made on or after the 1st day of June, 1997 but before the 1st day of June, 2005	20 per cent;
(D) where the agreement is made on or after the 1st day of June, 2005	10 per cent.;
vi) on income by way of fees for technical services payable by Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern and where such agreement is with an Indian concern, the agreement is approved by the Central Government or where it relates to a matter included in the (industrial policy, for the time being in force, of the Government of India, the agreement is in accordance with that policy	
(A) where the agreement is made after the 29th day of February, 1964 but before the 1st day of April, 1976	50 per cent.;
(B) where the agreement is made after the 31st day of March, 1976 but before the 1st day of June, 1997	30 per cent.;
(C) where the agreement is made on or after the 1st day of June, 1997 but before the 1st day of June, 2005	20 per cent;
(D) where the agreement is made on or after the 1st day of June, 2005	10 per cent;
(vii) on income by way of short-term capital gains referred to in section 111A	15 percent.;
(viii) on income by way of long-term capital gains [not being long-term capital gains referred to in clauses (33), (36) and (38) of section 10]	20 per cent;
(ix) on any other income	40 per cent.

Explanation :- For the purpose of item 1(b)(i) of this part, "investment income" and "non-resident Indian" shall have the meanings assigned to them in chapter XII-A of the income- tax Act

Surcharge on income-tax

The amount of income-tax computed in accordance with the preceding provisions of this Paragraph, or in section 111A or section 112, shall, in the case of every company, be increased by a surcharge for purposes of the Union calculated,

(i) in the case of every domestic company having a total income exceeding one crore rupees, at the rate of ten per cent, of such income-tax;

(ii) in the case of every company other than a domestic company having a total income exceeding one crore rupees, at the rate of two nd one-half per cent.:

Provided that in the case of every company having a to income exceeding one crore rupees, the total amount payable as income-tax and surcharge on such income shall not exceed the total amount payable as income-tax on a total income of one crore rupees by more than the amount of income that exceeds one crore rupees.

PART III

Rates for charging income-tax in certain cases, deducting income-tax from income chargeable under the head "salaries" and computing "advance tax"

In cases in which income-tax has to be charged under sub-section (4) of section 172 of the Income-tax Act or subsection (2) of section 174 or section 174A or section 175 or sub-section (2) of section 176 of the said Act or deducted from, or paid on, from income chargeable under the head "Salaries" under section 192 of the said Act in which the "advance tax" payable under Chapter XVI1-C of the said Act has to be computed at the rate or rates in force, such income-tax or, as the case may be, "advance tax" [not being " advance tax" in respect of any income chargeable to tax under Chapter XII or Chapter XII-A or income chargeable to tax under section 115JB or sub-section (1A) of section 161 or section 164 or section 164A or section 167B of the Income-tax Act at the rates as specified in that Chapter or section or surcharge, wherever applicable, on such "advance tax" respect of any income chargeable to tax under section 115A or section 115AB or section 115AC or section 115ACA or section 115AD or section 115B or section 115BB or section 115BBA or section 115BBC or section 115E or section 135JB] shall be charged, deducted or computed at the following rate or rates:

Paragraph A

(1) In the case of every individual other than the individual referred to in items (II) and (III) of this Paragraph or Hindu undivided family or association of persons or body of individuals, whether incorporated or not, or every artificial juridical person referred to in sub-clause (vii) of clause (31) of section 2 of the Income-tax Act, not being a case to which any other Paragraph of this Part applies

Rates of income-tax	
(1) where the total income does not exceed Rs. 1,60,000	Nil;
(2) where the total income exceeds Rs. 1,60,000 but does not exceed Rs. 5,00,000	10 per cent, of the amount by which the total income exceeds Rs. 1,60,000;
(3) where the total income exceeds Rs. 5,00,000 but does not exceed Rs. 8,00,000	Rs. 34.000 plus 20 per cent, of the amount by which the total income exceeds Rs. 5,00,000,

(4) where the total income exceeds Rs. 8.00,000	Rs. 94,000 plus 30 per cent, of the amount by which the total income exceeds Rs. 8,00,000.

(II) In the case of every individual, being a woman resident in India, and below the age of sixty-five years at any time during the previous year

Rates of income-tax	
(1) where the total income does not exceed Rs. 1,90,000	Nil;
(2) where the total income exceeds Rs. 1,90,000 but does not exceed Rs. 5,00,000	10 per cent, of the amount by which the total income exceeds Rs. 1,90,000;
(3) where the total income exceeds Rs. 5,00,000 but does not exceed Rs. 8,00,000	Rs. 31,000 plus 20 per cent, of the amount by which the total income exceeds Rs. 5,00,000;
(4) where the total income exceeds Rs. 8,00,000	Rs. 91,000 plus 30 per cent, of the amount by which the total income exceeds Rs. 8,00,000.

(III)In the case of every individual, being a resident in India, who is of the age of sixty-five years or more at any time during the previous year,

Rates of income-tax	
(1) where the total income does not exceed Rs. 2,40,000	Nil.;
(2) where the total income exceeds Rs. 2,40,000 but does not exceed Rs. 5,00,000	10 per cent, of the amount by which the total income exceeds Rs. 2,40,000;
(3) where the total income exceeds Rs. 5,00,000 but does not exceed Rs. 8,00.000	Rs. 26,000 plus 20 per cent, of the amount by which the total income exceeds Rs. 5,00,000;
(4) where the total income exceeds Rs. 8,00,000	Rs. 86,000 plus 30 percent, of the amount by which the total Income exceeds Rs. 8,00,000.

Paragraph B

In the case of every co-operative society,

Rates of income-tax	
(1) where the total income does not exceed Rs. 10,000	10 percent, of the total income;
(2) where the total income exceeds Rs- 10,000 but does not exceed Rs. 20,000	Rs. 1,000 plus 20 percent, of the amount by which the total income exceeds Rs. 10,000;

(3) where the total income exceeds Rs. 20,000	Rs. 3,000 plus 30 per cent, of the amount by which the total income exceeds Rs. 20,000.

Paragraph c

Rate of income- tax	
On the whole of the total Income	30 Per cent

Paragraph D

In case of Every firm,-

Rate of income- tax	
On the whole of the total Income	30 Per cent

Paragraph E

In case of a company,-

Rate of income- tax	
I.In the Case of a domestic company	30 Per cent of the total income
II. In the case of a company other than a domestic company (i) on so much of the total income as consists of, (a) royalties received from Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern after the 31st day of March, 1961 but before the 1st day of April, 1976; or (b) fees for rendering technical services received from Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern after the 29th day of February. 1964 but before the 1st day of April, 1976,	
and where such agreement has, in either case, been approved by the Central Government	50 per cent;
(ii) on the balance, if any, of the total income	40 per cent.

Surcharge on income-tax

The amount of income-tax computed in accordance with the preceding provisions of this Paragraph, or in section 111A or section 112, shall, in the case of every company, be increased by a surcharge for purposes of the Union calculated,

(i) in the case of every domestic company having a total income exceeding one crore rupees, at the rate of seven and one-half per cent, of such income-tax;

(ii) in the case of every company other than a domestic company having a total income exceeding one crore rupees at the rate of two and one-half per cent.:

Provided that in the case of every company having a to income exceeding one crore rupees, the total amount payable as income-tax and surcharge on such income shall not exceed the total amount payable as income-tax on a total income of one crore rupees by more than the amount of income that exceeds one crore rupees.

PART IV

[See section 2(13)(c)]

Rules for computation of net agricultural income

Rule 1. -Agricultural income of the nature referred to in sub-clause (a) of clause (IA) of section 2 of the Income-tax Act shall be computed as if it were income chargea to income-tax under that Act under the head "Income from other sources" an the provisions of sections 57 to 59 of that Act shall, so far as may be, apply accordingly:

Provided that sub-section (2) of section 58 shall apply subject to the modification that the reference to section 40A therein shall be construed as not including a reference to sub-sections (3) and (4) of section 40A.

Rule 2.-Agricultural income of the nature referred to in sub-clause (b) or sub-clause (c) of clause (1A) of section 2 of the Income-tax Act [other than income derived from any building required as a dwelling-house by the receiver of the rent or revenue of the cultivator or the receiver of rent-in-kind referred to in the said sub-clause (c)] shall be computed as if it were income chargeable to income-tax under that Act under the head "Profits and gains of business or profession" and the provisions of sections 30, 31, 36, 37, 38 ,40, 40A [other than subsections (3) and (4) thereof], 41, 43,43A, 43B and 43C of the Income-tax Act shall, so far as may be, apply accordingly.

Rule 3. -Agricultural income of the nature referred to in sub-clause (c) of clause (1A) of section 2 of the Income-tax Act, being income derived from any building required as a dwelling-house by the receiver of the rent or revenue or the cultivator or the receiver of rent-in-kind referred to in the said sub-clause (c) shall be computed as if it were income chargeable to income-tax under that Act under the head "Income from house property" and the provisions of sections 23 to 27 of that Act shall, so far as may be, apply accordingly.

Rule 4.-Notwithstanding anything contained in any other provisions of these rules, in a case

(a) where the assessee derives income from sale of tea grown and manufactured by him in India, such income shall be computed in accordance with rule 8 of the Income-tax Rules, 1962, and sixty per cent, of such income shall be regarded as the agricultural income of the assessee;

(b) where the assessee derives income from sale of centrifuged latex or cenex or latex based crepes (such as pale latex crepe) or brown crepes (such as estate brown crepe, re-milled crepe, smoked blanket crepe or flat bark crepe) or technically specified block rubbers manufactured or processed by him from rubber plants grown by him in India, such income shall be computed in accordance with rule 7A of the Income-tax Rules,

1962, and sixty-five per cent, of such income shall be regarded as the agricultural income of the assessee;

(c) where the assessee derives income from sale of coffee grown and manufactured by him in India, such income shall be computed in accordance with rule 7B of the Income-tax Rules, 1962, and sixty per cent, or seventy-five per cent., as the case may be, of such income shall be regarded as the agricultural income of the assessee.

Rule 5.-Where the assessee is" a member of an association of persons or a body of individuals (other than a Hindu undivided family, a company or a firm) which in the previous year has either no income chargeable to tax under the Income-tax Act or has total income not exceeding the maximum amount not chargeable to tax in the case of an association of persons or a body of individuals (other than a Hindu undivided family, a company or a firm) but has any agricultural income then, the agricultural income or loss of the association or body shall be computed in accordance with these rules and the share of the assessee in the agricultural income or loss so computed shall be regarded as the agricultural income or loss of the assessee.

Rule 6.-Where the result of the computation for the previous year in respect of any source of agricultural income is a loss, such loss shall be set off against the income of the assessee, if any, for that previous year from any other source of agricultural income:

Provided that where the assessee is a member of an association of persons or a body of individuals and the share of the assessee in the agricultural income of the association or body, as the case may be, is a loss, such loss shall not be set off against any income of the assessee from any other source of agricultural income.

Rule7.-Any sum payable by the assessee on account of any taxlevied by the State Government on the agricultural income shall be deducted in computing the agricultural income.

Rule 8.-(1) Where the assessee has, in the previous year relevant to the assessment year commencing on the 1st day of April, 2010, any agricultural income and the net result of the computation of the agricultural income of the assessee for any one or more of the previous years relevant to the assessment years commencing on the 1st day of April, 2002 or the 1st day of April, 2003 or the 1st day of April, 2004 or the 1st day of April, 2005 or the 1st day of April, 2006 or the 1st day of April, 2007 or the 1st day of April, 2008 or the 1st day of April, 2009, is a loss, then, for the purposes of sub-section (2) of section 2 of this Act,

(i) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2002, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 2003 or the 1st day of April, 2004 or the 1st day of April, 2005 or the 1st day of April, 2006 or the 1st day of April, 2007 or the 1st day of April, 2008 or the 1st day of April, 2009,

(ii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2003, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 2004 or the 1st day of April, 2005 or the 1st day of April, 2006 or the 1st day of April, 2007 or the 1st day of April, 2008 or the 1st day of April, 2009,

(iii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2004, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 2005 or the 1st day of April, 2006 or the 1st day of April, 2007 or the 1st day of April, 2008 or the 1st day of April, 2009,

(iv) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2005, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 2006 or the 1st day of April, 2007 or the 1st day of April, 2008 or the 1st day of April, 2009,

(v) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2006, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 2007 or the 1st day of April, 2008 or the 1st day of April, 2009,

(vi) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2007, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 2008 or the 1st day of April, 2009,

(vii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2008, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 2009,

(viii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2009,

shall be set off against the agricultural income of the assessee for the previous year relevant to the assessment year commencing on the 1st day of April, 2010.

(2) Where the assessee has, in the previous year relevant to the assessment year commencing on the 1st day of April, 2011, or, if by virtue of any provision of the Income-tax Act, income-tax is to be charged in respect of the income of a period other than the previous year, in such other period, any agricultural income and the net result of the computation of the agricultural income of the assessee for any one or more of the previous years relevant to the assessment years commencing on the 1st day of April, 2003 or the 1st day of April, 2004 or the 1st day of April, 2005 or the 1st day of April, 2006 or the 1st day of April, 2007 or the 1st day of April, 2008 or the 1st day of April, 2009 or the 1st day of April, 2010, is a loss, then, for the purposes of subsection (10) of section 2 of this Act,

(i) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2003, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 2004 or the 1st day of April, 2005 or the 1st day of April, 2006 or the 1st day of April, 2007 or the 1st day of April, 2008 or the 1st day of April, 2009 or the 1st day of April, 2010,

(ii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2004, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 2005 or the 1st day of April, 2006 or the 1st day of April, 2007 or the 1st day of April, 2008 or the 1st day of April, 2009 or the 1st day of April, 2010,

(iii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2005, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 2006 or the 1st day of April, 2007 or the 1st day of April, 2008 or the 1st day of April, 2009 or the 1st day of April, 2010,

(iv) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2006, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 2007 or the 1st day of April, 2008 or the 1st day of April, 2009 or the 1st day of A l, 2010,

(v) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2007, to the extent, if any, such loss has not been set off against the agricultural income for

the previous year relevant to the assessment year commencing on the 1st day of April, 20 or the 1st day of April, 2009 or the 1st day of April, 2010,

(vi) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2008, to the extent, if any, such loss has not been set off against the agricultural Income for the previous year relevant to the assessment year commencing on the 1st day of April, 2008 or the 1st day of April, 2010,

(vii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2009, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 2010,

(viii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2010.

shall be set off against the agricultural income of the assessee for the previous year relevant to the assessment year commencing on the 1st day of April, 2011,

(3) Where any person deriving any agricultural income from any source has been succeeded in such capacity by another person, otherwise than by inheritance, nothing in sub-rule (1) or sub-rule (2) shall entitle any person, other than the person incurring the loss, to have it set off under sub-rule (1) or, as the case may be, sub-rule(2).

(4) Notwithstanding anything contained in this rule, no loss which has not been determined by the Assessing Officer under the provisions of these rules or the rules contained in Part IV of the First Schedule to the Finance Act, 2002 (20 of 2002), of the First Schedulle to the Finance Act, 2003 (32 of 2003), or of the First Schedule to the Finance (No.2) Act, 2004 (23 of 2004) or of the First Schedule to the Finance Act, 2005 (18 of 2005), or of the First Schedule to the Finance Act, 2006 (21 of 2006) or of the First Schedule to the Finance Act, 2007 (22 of 2007) or of the First Schedule to the Finance Act, 2008 (18 of 2008) or of the First Schedule to the Finance (No.2) Act, 2009 (33 of 2009) shall be set off under sub-rule (1) or, as the case may be, sub-rule (2).

Rule 9.-Where the net result of the computation made in accordance with these rules is a loss, the loss so computed shall be ignored and the net agricultural income shall be deemed to be nil.

Rule 10.-The provisions of the income-tax Act relating to procedure for assessment (including the provisions of section 288 A relating to rounding off of income) shall, with the necessary modifications, apply in relation to the computation of the net agricultural income of the assessee as they apply in relation to the assessment of the total income.

Rule 11. -For the purposes of computing the net agricultural income of the assessee, the Assessing Officer shall have the same powers as he has under the Income-tax Act for the purposes of assessment of the total income.

THE SECOND SCHEDULE
[See section 60(1)]

Sl. No.	Notification number and date	Amendment	Date of effect of amendment
(1)	(2)	(3)	(4)
1	G.S.R. number 118(E), dated 1st March, 2002 (21/2002-Customs, dated 1st March, 2002)	In the said notification, in the Table, S.No. 573 and the entries relating thereto, the following S.Nos. and entries shall be substituted and shall be deemed to have been substituted, namely:-	26th June, 2009

		Sl.No.	Chapter of heading No. or sub-heading No.	Description of goods	Standard rate	Additional duty rate	Condition No.	
		(1)	(2)	(3)	(4)	(5)	(6)	
		"573	2716 00 00	Electrical energy removied from a Special Economic Zone into Domestic Tarrif Area or non-processing areas of Special Economic Zone	16%	-	-	
		573A	2716 00 00	All goods, other than goods mentioned at S.No. 573	Nil	-	-	
2	GSR number 92(E) dated 1st March, 2006 (20/2006-customs, dated 1st March, 2006)	In the said notification, in the Table, after S.No.66 and the entries relating thereto, the following S.No. and entries shall be inserted and shall be deemed to have been inserted, namely:-						26th June, 2009
		S.No.	Chapter, heading, sub-heading or tarrif item of the First Schedule	Description of goods	Standard rate			
		(1)	(2)	(3)	(4)			
		"67	2716 00 00	All goods	Nil			

THE THIRD SCHEDULE

(See section 62)

In the First Schedule to the Customs Tariff Act,

(1) in Chapter 24, in heading 2402,

(i) for the entry in column (2) occurring against the ariff item 2402 20 30, the entry -Filter cigarettes of length (including the length of e filter, the length of the filter being 11 millimetres or its actual length, whic ever is more) not exceeding 60 millimetres" shall be substituted;

(ii) for the entry in column (2) occurring against the tariff item 2402 20 40, the entry "- Filter cigarettes of length (including the length of the filter, the length of filter being 11 millimetres or its actual length, whichever is more) exceeding 60 millimetres but not exceeding 70 millimetres" shall be substituted;

(iii) for the entry in column (2) occurring against the tariff item 2402 20 50, the entry" -Filter cigarettes

of length (including the length of filter, the length of filter being 11 millimetres or its actual length, whichever is more) exceeding 70 millimiteres" shall be substituted

(iv) after tarrif item 2402 20 50 and the entries relating thereto, the following tarrif item and entries shall be inserted, namely:-

Tarrif Item	Description of goods	Unit	Rate of duty	
			Standard	Preferential
(1)	(2)	(3)	(4)	(5)
"2402 20 60	- Filter cigarattes of length (including the length of the filter, length of filter being 11 millimeters or tis actual length, whichever is more) exceeding 75 millimeters but not exceeding 85 millimeters	Tu	30%	-"

(2) in Chapter 27.

(a) for sub-heading 2712 20 and tariff items 2712 20 10 and 2712 20 90 and the entries relating thereto, the following tariff item and entrie be substituted, namely:

Tarrif Item	Description of goods	Unit	Rate of duty	
			Standard	Preferential
(1)	(2)	(3)	(4)	(5)
"2712 20 60	- Paraffin xax containing by weight less than 0.75% of oil	Kg	10%	-"

(b) after tariff item 2712 90 30 and the entries relating thereto, the following tariff item and entries shall be inserted, namely:

Tarrif Item	Description of goods	Unit	Rate of duty	
			Standard	Preferential
(1)	(2)	(3)	(4)	(5)
"2712 90 40	- Paraffin xax containing by weight less than 0.75% of oil	Kg	10%	-"

THE FOURTH SCHEDULE

[See section 69(1)]

Sl.No.	Provisions of Central Excise Rules, 1944 to be amended	Amendment	Period of effect of amendment
(1)	(2)	(3)	(4)
	Insertion of new rule 57CCC.	In the Central Excise Rules, 1944, after rule 57CC, the following rule shall be inserted, namely: "57CCC. Reversal of Actual Credit.-Where a dispute relating to adjustment of credit on inputs used in of in relation to exempted final products relating to the period beginning on the 1st day of September, 1996 and ending with the 28th day of February, 1997 (both days inclusive) is pending on the date on which the Finance Bill, 2010 receives the assent of the President, then, notwithstanding anything contained in sub-rules (i) and (2) of rule 57C and sub-rules (1) and (2) of rule 57CC, a	1st day of September, 1996 to 28th day of February, 1997 (both days inclusive).

		manufacturer availing credit of specified duty in respect of any inputs, other than inputs used as fuel, and manufacturing final products which are chargeable to duty and also other final products which are not so chargeable to duty or chargeable to nil rate of duty, shall pay an amount equivalent to such credit attributable to inputs used in, or in relation to the manufacture of, such final products which are not chargeable to duty or chargeable to nil rate of duty, before or after the clearance of such goods: Provided that the manufacturer shall pay an interest at the rate of twenty-four per cent, per annum from the date of clearance of goods till the date of payment of the said amount.'.	
2.	Rule 57CCC of the Central Excise Rules, 1944 as inserted by section 69 of the Finance Act, 2010.	In the Central Excise Rules, 1944, for rule 57CCC, the following rule shall be substituted, namely: "57CCC. Reversal of Actual Credit.-Where a dispute relating to adjustment of credit on inputs used in or in relation to exempted final products relating to the period beginning on the 1st day of March, 1997 and ending with the 31st day of March, 2000 (both days inclusive) is pending on the date on which the Finance Bill, 2010 receives the assent of the President, then, notwithstanding anything contained in sub-rules (1) and (2) of rule 57C and sub-rule(1) and sub-rule (9) of rule 57CC, a manufacturer availing credit of specified duty in respect of any inputs, other than inputs used as fuel, and manufacturing final products which are chargeable to duty and also other final products which are not so chargeable to duty, shall pay an amount equivalent to such credit attributable to inputs used in, or in relation to the manufacture of, such final products which are not chargeable to duty, before or after the clearance of such goods: Provided that the manufacturer shall pay an interest at the rate of twenty-four per cent, per annum from the date of clearance of goods till the date of payment of the said amount."	1st day of March. 1997 to 31st day of March, 2000 (both days inclusive).

THE FIFTH SCHEDULE

[See section 70(1)]

Sl.No.	Provisions of Central Excise Rules, 1944 to be amended	Amendment	Period of effect of amendment
(1)	(2)	(3)	(4)
	Rule 57AD of Central Excise Rules, 1944 as inserted by notification number G.S.R. 298 (E), dated the 3 1st March, 2000 [27/2000Central Excise (N.T.). dated the 31st March, 2000].	In the Central Excise Rules, 1944, in rule 57AD, after sub-rule (4), the following sub-rule shall be inserted, namely: "(5) Where a dispute relating to adjustment of credit on inputs used in or in relation to exempted final products relating to the period beginning on the 1st day of April, 2000 and ending with the 30th day of June, 2001 (both days inclusive) is pending on the date on which the Finance Bill, 2010 receives the assent of the President, then, notwithstanding anything contained in sub-rules (1) and (2), a manufacturer availing CENVAT credit in respect of	1st day of April, 2000 to 30th day of June, 2001 (both days inclusive)

		any inputs, except inputs intended to be used as fuel, and manufacturing final products which are chargeable to duty and also other final products which are exempted goods, may pay an amount equivalent to CENVAT credit attributable to the inputs used in, or in relation to the manufacture of, exempted goods before or after the clearance of such goods: Provided that the manufacturer shall pay interest at the rate of twenty –four per cent. Per annum from the date of clearance till the date of payment of the said amount.	

THE SIXTH SCHEDULE

[See section 71(1)]

Sl.No.	Provisions of CENVAT Credit Rules, 2001 to be amended	Amendment	Period of effect of amendment
(1)	(2)	(3)	(4)
	Rule 6 of the CENVAT Credit Rules, 2001 as published vide notification number G.S.R. 445 (E), dated the 21st June, 2001 [31/2001CENTRAL EXCISE (N.T), dated the 21st June, 2001].	In the CENVAT Credit Rules, 2001, in rule 6, after sub-rule (5), the following sub-rule shall be inserted, namely: '(6) Where a dispute relating to adjustment of credit on inputs used in or in relation to exempted final products relating to the period beginning on the 1st day of July, 2001 and ending with the 28th day of February, 2002 (both days inclusive) is pending on the date on which the Finance Bill, 2010 receives the assent of the President, then, notwithstanding anything contained in sub-rules (1), (2) and (3), a manufacturer availing CENVAT credit in respect of any inputs, except inputs intended to be used as fuel, and manufacturing final products which are chargeable to duty and also other final products which are expemted goods, may pay an amount equivalent to CENVAT credit attibutable to the inputs used in, or in relation to the manufacture of exempted goods, before or after the clearance of such goods: Provided that the manufacture shall pay interest at the rate of twenty –four per cent, per annum from the due date till the date of payment of the said amount Explanation.- For the purpose of this sub-rule, " due date" means the 5th day of the month following the month in which goods have been cleared from the factory.'	1st day of July, 2001 to the 28th day of February. 2002 (both days inclusive).

THE SEVENTH SCHEDULE

[See section 72(1)]

Sl.No.	Provisions of CENVAT Credit Rules, 2002 to be amended	Amendment	Period of effect of amendment
(1)	(2)	(3)	(4)
	Rule 6 of the CENVAT Credit Rules, 2002 as published vide notification number G.S.R. 144 (E), dated the 1st March, 2002 [5/2002CENTRAL EXCISE (N.T.), dated the 1st March,	In the CENVAT Credit Rules, 2002, in rule 6, after sub-rule (5), the following sub-rule shall be inserted, namely: '(6) Where a dispute relating to adjustment of credit on inputs used in or in relation to exempted final products relating to the period beginning on the 1st day of March, 2002 and ending with the 9th day of September, 2004 (both days inclusive) is pending on the date on which the Finance Bill, 2010 receives the assent of the President, then, notwithstanding anything contained in sub-rules (1), (2) and (3), a manufacturer availing CENVAT credit in respect of any inputs, except inputs intended to be used as fuel, and manufacturing final products which are chargeable to duty and also other final products which are exempted goods, may pay an amount equivalent to CENVAT credit attributable to the inputs used in, or in relation to the manufacture of, exempted goods before or after the clearance of such goods: Provided that the manufacturer shall pay interest at the rate of twenty-four per cent, per annum from the due date till the date of payment of the said amount. *Explanation.*-For the purpose of this sub-rule, "due date" means the 5th day of the month following the month in which goods have been cleared from the factory.'.	1st day of March, 2002 to the 9th day of September. 2004 (both days inclusive).

THE EIGHTH SCHEDULE

[See section 73(1)]

Sl.No.	Provisions of CENVAT Credit Rules, 2004 to be amended	Amendment	Period of effect of amendment
(1)	(2)	(3)	(4)
	Rule 6 of the CENVAT Credit Rules, 2004 as published vide notification number G.S.R. 600 (E), dated the 10th September 2004 [23/2004CENTRAL EXCISE (N.T.), dated the 10th September, 2004].	In the CENVAT Credit Rules, 2004, in rule 6, after sub-rule (6), the following sub-rule shall be inserted, namely: '(7) Where a dispute relating to adjustment of credit on inputs or input services used in or in relation to exempted final products relating to the period beginning on the 10th day of September, 2004 and ending with the 31st day of March, 2008 (both days inclusive) is pending on the date on which the Finance Bill, 2010 receives the assent of the President, then, notwithstanding anything contained in sub-rules (1) and (2), and clauses (a) and	10th day of September, 2004 to the 31st day of March. 2008 (both days inclusive).

		(b) of sub-rule (3), a manufacturer availing CENVAT credit in respect of any inputs or input services and manufacturing final products which are chargeable to duty and also other final products which are exempted goods, may pay an amount equivalent to CENVAT credit attributable to the inputs or input services used in, or in relation to the manufacture of, exempted goods before or after the clearance of such goods: Provided that the manufacturer shall pay interest at the rate of twenty-four per cent, per annum from the due date till the date of payment of the said amount. *Explanation*.-For the purpose of this sub-rule, "due date" means the 5th day of the month following the month in which goods have been cleared from the factory.'.	

THE NINTH SCHEDULE

(See section 75)

In the First Schedule to the Central Excise Tariff Act

(1) in Chapter 24,

(i) for the entry in column (4) occurring against all tariff items of heading 2401, the entry "50%" shall be substituted;

(ii) in tariff items 2402 10 10 and 2402 10 20, for the entry in column (4), the entry "10% or Rs. 1227 per thousand, whichever is higher" shall be substituted;

(iii) in tariff item 2402 20 10, for the entry in column (4), the entry "Rs. 509 per thousand" shall be substituted;

(iv) in tariff item 2402 20 20, for the entry in column (4), the entry "Rs. 1218 per thousand" shall be substituted;

(v) for the entries in column (2) and column (4) occurring against the tariff item 2402 20 30, the entries " -Filter cigarettes of length (including the length of the filter, the length of filter being 11 millimetres or i s actual length, whichever is more) not exceeding 60 millimetres" and "Rs. 509 per thousand" shall respectively be substituted;

(vi) for the entries in column (2) and column (4) occurring against the tariff item 2402 20 40, the entries " -Filter cigarettes of length (including the length of the filter, the length of filter being 11 millimetres or its actual length, whichever is more) exceeding 60 millimetres but not exceeding 70 millimetres" and "Rs. 809 per thousand" shall respectively be substituted;

(vii) for the entries in column (2) and column (4) occurring against the tariff item 2402 20 50, the entries " -Filter cigarettes of length (including the length of the filter, the length of filter being II millimetres or its actual length, whichever is more) exceeding 70 millimetres but not exceeding 75 millimetres" and "Rs. 1218 per thousand' shall respectively be substituted;

(viii) after tariff item 2402 20 50 and the entries relating thereto, the following tariff item and entries shall be inserted, namely:

Tarrif Item	Description of Goods	Unit	Rate of duty
(1)	(2)	(3)	(4)
"2402 20 60	Filter cigarettes of length (including the length of the filter, the length of filter being 11 miilimetres or its actual length, whichever is more) exceeding 75 millimetres but not exceeding 85 millimetres	Tu	Rs. 1624 per thousand",

(ix) in tariff item 2402 20 90, for the entry in column (4), the entry "Rs. 1948 per thousand" shall be substituted;

(x) in tariff item 2402 90 10, for the entry in column (4), the entry "Rs. 1258 per thousand" shall be substituted:

(xi) in tariff item 2402 90 20, for the entry in column (4), the entry "10% or Rs. 1473 per thousand, whichever is higher" shall be substituted;

(xii) in tariff item 2402 90 90, for the entry in column (4), the entry "10% or Rs. 1473 per thousand, whichever is higher" shall be substituted;

(xiii) in tariff item 2403 10 10, for the entry in column (4), the entry "60%" shall be substituted;

(xiv) in tariff item 2403 10 20, for the entry in column (4), the entry "360%" shall be substituted;

(xv) in tariff item 2403 10 90, for the entry in column (4), the entry "40%" shall be substituted;

(xvi) in tariff item 2403 91 00, for the entry in column (4), the entry "60%" shall be substituted;

(xvii) in tariff items 2403 99 10,2403 99 20,2403 99 30, 2403 99 40, 2403 99 50 and 2403 99 60, for the entry in column (4) occurring against each of them, the entry "60%" shall be substituted;

(xviii) in tariff item 2403 99 70, for the entry in column (4), the entry "Rs. 60 per kg." shall be substituted;

(xix) in tariff item 2403 99 90, for the entry in column (4), the entry "60%" shall be substituted;

(2) in Chapter 27,-

(a) for sub-heading 2712 20 and tarrif items 2712 20 10 and 2712 20 90 and the entries relating thereto, the following tarrif item and entries shall be substituted, namely:-

Tarrif Item	Description of Goods	Unit	Rate of duty
(1)	(2)	(3)	(4)
"2712 20 60	- Paraffin wax containing by weight less than 0.75% of oil	Kg	16%

(b) after tarrif item 2712 90 30 and the entries relating thereto, the following tarrif item and entries shall be inserted, namely:-

Tarrif Item	Description of Goods	Unit	Rate of duty
(1)	(2)	(3)	(4)
"2712 90 400	--- Paraffin wax containing by weight 0.75% or more of oil	Kg	16%

(3) in Chapter 48, in heading 4818,
(i) in tariff item 4818 40 10, for the entry in column 4), the entry "16%" shall be substituted;

(ii) in tariff item 4818 40 90, for the entry in column (4), the entry "16%" shall be substituted;

(4) in Chapter 50, for the entry in column (4) occurring against all the tariff items of headings 5004, 5005, 5006 and 5007, the entry "10%" shall be substituted;

(5) in Chapter 51, for the entry in column (4) occurring against all the tariff items of headings 5105, 5106, 5107, 5108, 5109, 5110, 5111, 5112 and 5113, the entry "10%" shall be substituted;

(6) in Chapter 52, for the entry in column (4) occurring against all the tariff items of headings 5204, 5205, 5206, 5207, 5208, 5209, 5210, 5211 and 5212, the entry "10%" shall be substituted;

(7) in Chapter 53, for the entry in column (4) occurring against all the tariff items of headings 5302, 5305, 5306, 5308 (except 5308 10 10 and 5308 10, 90) 5309, 5310 and 5311, the entry "10%" shall be substituted;

(8) in Chapter 54, for the entry in column (4) occurring against all the tariff items of headings 5401, 5404 (except 5404 11 00, 5404 12 00, 5404 19 10, 5404 19 20 and 5404 19 90), 5405, 5407 (except 5407 10 15, 5407 10 25, 5407 10 35, 5407 10 45, 5407 10 95, 5407 20 10, 5407 20 20, 5407 20 30, 5407 20 40, 5407 20 90, 5407 30 10, 5407 30 20, 5407 30 30, 5407 30 40, 5407 30 90, 5407 43 19, 5407 41 29, 5407 42 90, 5407 43 00, 5407 44 90, 5407 71 10, 5407 71 20, 5407 72 00, 5407 73 00, 5407 74 00, 5407 81 19, 5407 81 29, 5407 82 90, 5407 83 00, 5407 84 90, 5407 91 10, 5407 91 20, 5407 92 00, 5407 93 00 and 5407 94 00) and 5408, the entry "10%" shall be substituted;

(9) in Chapter 55, for the entry in column (4) occurring against all the tariff items of headings 5508, 5509, 5510, 5511, 5512, 5513, 5514, 5515 and 5516, the entry "10%" shall be substituted;
(10) in Chapter 56, for the entry in column (4) occurring against all the tariff items of headings 5601 (except 5601 10 00 and 5601 22 00), 5602,5603,5604, 5605, 5606, 5607 (except 5607 50 10), 5608 (except 5608 11 10 and 5608 11 90) and 5609, the entry "10%" shall be substituted;
(11) in Chapter 57, for the entry in column (4) occurring against all the tariff items of headings 5701, 5702, 5703, 5704 and 5705, the entry "10%" shall be substituted;

(12) in Chapter 58, for the entry in column (4) occurring against all the tariff items of headings 5801 (except 5801 35 00). 5802, 5803, 5804 (except 5804 30 00), 5806, 5808, 5809, 5810 and 5811, the entry' "10%" shall be substituted;

(13) in Chapter 59, for the entry in column (4) occurring against all the tariff items of headings 5901, 5902 (except 5902 10 10 and 5902 10 90, 5903, 5904 5905, 5906, 5907, 5908, 5909, 5910 and 5911, the entry "10%" shall be substituted;

(14) in Chapter 60, for the entry in column (4) occurring against all the tariff items of headings 6001,6002, 6003, 6004, 6005 and 6006, the entry "10%" shall be substituted;

(15) in Chapter 61, for the entry in column (4) occurring against ail the tariff items of headings 6101, 6102, 6103, 6104, 6105, 6106, 6107, 6108, 6109, 6110, 6111,6112, 611 3, 6114, 6115, 6116 and 6117, the0. entry "10%" shall be substituted;

(16) in Chapter 62, for the entry in column (4) occurring against all the tariff items of headings 6201, 6202,6203, 6204, 6205, 6206, 6207, 6208, 6209, 6210, 6211, 6212, 6213, 6214, 6215, 6216 and 6217, the entry "10%" shall be substituted;

(17) in Chapter 63, for the entry in column (4) occurring against all the tariff items of headings 6301,6302,6303, 6304, 6305, 6306, 6307 and 6308, the entry "10%" shall be substituted;

(18) in Chapter.68, after NOTE 2, the following NOTE shall be inserted, namely: -'
3. In relation to products of headings 6802 and 6810, the process of cutting or sawing or sizing or

polishing or any other process, for converting of stone blocks into slabs or tiles, shall amount to “manufacturer”.

(19) in Chapter 76
(i) "NOTE" shall be numbered as "NOTE I" thereof and after NOTE 1 as so numbered, the following NOTE shall be inserted, namely: '2. In relation to products of heading 7608, the process of drawing or redrawing shall amount to "manufacture"'.';

(ii) in sub-heading Note 2, for the word "Note", the word and figure "Note 1" shall be substituted;

(20) in Chapter 90, in tariff item 9001 30 00, for the entry in column (4), the entry "10%" shall be substituted;

(21) in Chapter 95, in tariff item 9504 40 00, for the entry in column (4), the entry "10%" shall be substituted.

THE TENTH SCHEDULE

[See Section 83(3) and (5)]

NOTES :

1. In this Schedule, "Chapter", "heading", "sub-heading" and "tariff item" means respectively a Chapter, heading, sub-heading and tariff item of the First Schedule to the Central Excise Tariff Act.

2. The rules for the interpretation of the First Schedule to the Central Excise Tariff Act, the Section and Chapter Notes and the General Rules for the Interpretation of the First Schedule shall apply to the interpretation of this Schedule.

Sl.No.	Chapter, heading, sub heading or tarrif item	Description of goods	Rate
(1)	(2)	(3)	(4)
1.	2701	Coal, briquettes, ovoids and similar solid fuels manufactured from coal	Rs. 100 per tonne
2.	2702	Lignite, whether or not agglomerated, excluding jet	Rs. 100 per tonne
3.	2703	Peat (including peal litter), wheter or not agglomerated	Rs. 100 per tonne

THE ELEVENTH SCHEDULE

(See section 86)

In the Seventh Schedule to the Finance Act, 2001,

(i) for the entries in column (2) and column (4) occurring against the tariff item 2402 20 30, the entries " --- Filter cigarettes of length (including the length of the filter, the length of filter being 11 millimetres or its actual length, whichever is more) not exceeding 60 millimetres" and "Rs. 90 per thousand" shall respectively be substituted;

(ii) for the entries in column (2) and column (4) occurring against the tariff item 2402 20 40, the entries " - Filter cigarettes of length (including the length of the filter, the length of filter being 11 millimetres or its actual length, whichever is more) exceeding 60 millimetres but not exceeding 70 millimetres" and "Rs. 90 per thousand" shall respectively be substituted:

(iii) for the entries in column (2) and column (4) occurring against the tariff item 2402 20 50, the entries " - Filter cigarettes of length (including the length of the filter, the length of filter being 11 millimetres or its actual length, whichever is more) exceeding 70 millimetres but not exceeding 75 millimetres" and "Rs. 145 per thousand" shall respectively be substituted;

(iv) after tariff item 2402 20 50 and the entries relating thereto, the following tariff item and the entries shall be inserted, namely:

Tarrif Item	Description of Goods	Unit	Rate of duty
(1)	(2)	(3)	(4)
"2702 20 60	--- Filter cigarettes of length (including the length of the filter, the length of filter being 11 millimetes or its actual length, whichever is more) exceeding 75 millimetres but not exceeding 85 millimetres	Tu	Rs. 190 per thousand".

THE TWELFTH SCHEDULE

(See section 87)

In the Seventh Schedule to the Finance Act, 2005,

(i) for the entries in column (2) and column (4) occurring against the tariff item 2402 20 30, the entries" --- Filter cigarettes of length (including the length of the filter, the length of filter being 11 millimetres or its actual length, whichever is more) not exceeding 60 millimetres'1 and "Rs. 70 per thousand" shall respectively be substituted;

(ii) for the entries in column (2) and column (4) occurring against the tariff item 2402 20 40, the entries "--- Filter cigarettes of length (including the length of the filter, the length of filter being 11 millimetres or its actual length, whichever is more) exceeding 60 millimetres but not exceeding 70 millimetres" and "Rs. 70 per thousand 11 shall respectively be substituted:

(iii) for the entries in column (2) and column (4) occurring against the tariff item 2402 20 50, the entries "--- Filter cigarettes of length (including the length of the filter, the length of filter being 11 millimetres or its actual length, whichever is more) exceeding 70 millimetres but not exceeding 75 millimetres" and "Rs. 110 per thousand" shall respectively be substituted;

(iv) after tariff item 2402 20 50 and the entries relating thereto, the following tariff item and the entries shall be inserted, namely:

Tarrif Item	Description of Goods	Unit	Rate of duty
(1)	(2)	(3)	(4)
"2402 20 60	--- Filter cigarettes of length (including the length of the filter, the length of filter being 11 millimetes or its actual length, whichever is more) exceeding 75 millimetres but not exceeding 85 millimetres	Tu	Rs. 145 per thousand".

V.K. BHASIN
Secy. to the Govt. of India

ಕರ್ನಾಟಕ ರಾಜ್ಯಪಾಲರ ಆದೇಶಾನುಸಾರ ಮತ್ತು ಅವರ ಹೆಸರಿನಲ್ಲಿ,
ಆರ್. ಆಂಜಿನಿ
ಸಹಾಯಕ ಪ್ರಾರೂಪಕಾರ ಮತ್ತು ಪದನಿಮಿತ್ತ
ಸರ್ಕಾರದ ಉಪ ಕಾರ್ಯದರ್ಶಿ,
ಸಂಸದೀಯ ವ್ಯವಹಾರಗಳು ಮತ್ತು ಶಾಸನ ರಚನೆ ಇಲಾಖೆ.

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